

**STANDING COMMITTEE REPORTS****SCRep. 1-94 Finance on H.B. No. 2280**

The purpose of this bill is to authorize funds for the expenses of the Legislature up to and including June 30, 1995, and to provide funds for the expenses of the legislative support agencies during the 1994-1995 fiscal year.

Your Committee has amended the bill by providing the appropriation amounts for the Legislature and the legislative support agencies.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2280, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2280, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Tajiri and Tam.  
(Representatives Santiago, Marumoto and Ward voted no.)

**SCRep. 2-94 Health on H.B. No. 2277**

The purpose of this bill is to appropriate funds for the expansion of the hours of emergency ambulance services in the Hawaii Kai area.

Testimonies received from the Department of Health and the City and County of Honolulu, as well as various other concerned citizens and members of the House of Representatives, strongly support the intent of this bill. The Department of Health, however, could not support such an appropriation in this year's fiscal climate.

It is understood by your Committee that increased ambulance service is needed in the Hawaii Kai area. It is also noted by your Committee that through evaluations of the emergency medical services system, greater Honolulu and Leeward Oahu also have a dire need for increased ambulance service.

Accordingly, your Committee has amended this bill by changing the purpose of this bill to include increased ambulance service for the greater Honolulu area and Leeward areas of Oahu, as well as for the Hawaii Kai area. Your Committee has also added the sum of \$1 for the purpose of further discussion. Other technical, nonsubstantive amendments have been made for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2277, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2277, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki and Tanimoto.

**SCRep. 3-94 Health on H.B. No. 2234**

The purpose of this bill is to amend Section 455-3, Hawaii Revised Statutes, to allow applicants who graduated from a college of naturopathy that has been approved by the Board of Examiners in naturopathy prior to 1987 and has since received candidacy status with, or has been accredited by, a regional or national professional accrediting body recognized by the United States Department of Education, to be qualified applicants for licensure in naturopathy in the State.

Testimony in support of this bill was received from the Board of Naturopathy. Your Committee recognizes that qualifications for the accreditation of colleges of naturopathy have changed over the years and that colleges of naturopathy that may not have been accredited in the past may now have received candidacy status or accreditation. Your Committee also notes that it would be unfair to deny a person a license due to the fact that the college of naturopathy from which the person graduated was not accredited at the time of the completion of their studies. However, Your Committee feels that the college should be an accredited one rather than one in which candidacy status for accreditation has been achieved.

Accordingly, your Committee has amended this bill to ensure that the college of naturopathy has achieved accreditation status rather than candidacy status for accreditation. Other technical, nonsubstantive amendments were made for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2234, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2234, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representatives Arakaki and Tanimoto.

**SCRep. 4-94 Labor and Public Employment on H.B. No. 2282**

The purpose of this bill is to give preference points on civil service examinations to members of the state military forces who have six or more years of qualifying service.

Your Committee received testimony in support of this bill from the State Department of Defense, the Hawaii National Guard Enlisted Association, the Hawaii National Guard Association, the Family Program of the Hawaii Army and Air National Guard, the Hawaii Air National Guard Chief and Senior Master Sergeants Council, and the Air National Guard Noncommissioned Officers Academy Graduate Association, Chapter 18.

The Department of Personnel Services, the Judiciary, the Hawaii State Personnel Council, the Hawaii State Commission on the Status of Women, and the Hawaii Government Employees Association testified in opposition to this bill.

Your Committee has amended this bill by limiting the award of preference points to open-competitive examinations. Further, the provision for awarding ten preference points to members with ten or more years of qualifying service has been deleted. In addition, technical, nonsubstantive amendments have been made for the purposes of style and clarity.

Your Committee notes that the principle of merit is a pillar of the civil service system. This bill will not usurp the authority of employers or supervisors to select a qualified employee from the pool of eligible applicants, and therefore, does not compromise the civil service merit system.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2282, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2282, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Alcon.

**SCRep. 5-94 Ocean Recreation and Marine Resources on H.B. No. 2175**

The purpose of this bill is to designate the operation of a recreational vessel in state waters by a person, who has an essential role in the operation of a vessel which is underway, while under the influence of intoxicating liquor as being unlawful.

Your Committee on Ocean Recreation and Marine Resources recognizes the potential danger to persons and property should essential operators of recreational vessels consume intoxicating liquor before or after the vessel is underway to the extent that they are presumed to be incompetent.

Your Committee finds that the National Transportation Safety Board recommended in October, 1983, that states adopt legislation that clearly defines the allowable level of legal intoxication for recreational boat operators in order to strengthen state enforcement programs for reducing accidents, fatalities, injuries, and property damage caused by the uses of alcohol. Your Committee also find that Hawaii is among the eight states which has not adopted such legislation.

This bill designates the operation of recreational vessels by persons who play essential roles in the operation of these vessels in state waters while under undue influence of intoxicating liquor as against the law. A person is presumed to be incompetent when it is found that there is .10 per cent or more by weight of alcohol in the person's blood, or that the person's manner, disposition, speech, muscular movement, general appearance, or behavior indicates incompetency. Penalties for violations as well as procedures for processing suspected violators are contained in the proposed statute.

The applicability of this measure is clarified by amending Section 200-1, Hawaii Revised Statutes, through the additions of definitions for the following abbreviation and terms: C.F.R., Motorboat, Navigate, Recreational vessel, and Underway.

Section 200-23, Hawaii Revised Statutes, is amended by amending the definition of "boating accident."

Supportive testimonies were heard from the Department of Land and Natural Resources and from the Sea Grant Extension Service, University of Hawaii.

Your Committee has amended this bill by substituting the position named from "director" to "chairperson" in Section 1, page 5, line 20, and page 12, lines 19 and 21, as recommended by the Department of Land and Natural Resources. Your Committee has further amended this bill by making technical nonsubstantive changes.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2175, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2175, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Beirne, Amaral and Apo.

**SCRep. 6-94 Ocean Recreation and Marine Resources on H.B. No. 2233**

The purpose of this bill is to appropriate funds to the Department of Land and Natural Resource for conducting studies leading to better shark control management.

Your Committee on Ocean Recreation and Marine Resources finds that an increasing number of shark attacks and reports about the presence of sharks in Hawaii's waters are causing anxiety among recreational users of the ocean. This publicity may also have an adverse effect on Hawaii's tourist industry.

Your Committee also finds that more information is needed about the movement and activity of sharks in order to implement measures which will afford better protection from shark-human encounters.

This bill would provide funds for studies to provide researchers, emergency response teams, and the community with a better understanding of sharks. The results of these studies can be applied to derive more cost-effective and efficient solutions for reducing dangers from shark attacks.

Your Committee has stipulated an appropriation of \$1, pending a more accurate determination of the actual costs, to enable the Department of Land and Natural Resources to implement the necessary studies.

Supportive testimonies were heard from the Department of Land and Natural Resources; the Environmental Center, University of Hawaii; the Waikiki Aquarium; and the Hawaii Institute of Marine Biology, University of Hawaii.

The Department of Land and Natural Resources testified that additional funding, other than money which is being requested in its supplemental budget, is unnecessary. It was brought out by other testifiers that additional funding will be necessary to implement the studies suggested in this bill, as well as for public education concerning sharks.

Your Committee has amended this bill by making technical, nonsubstantive corrections.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2233, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2233, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Beirne, Amaral and Apo.

**SCRep. 7-94 Health on H.B. No. 2555**

House Bill 2555 is intended to create a public health benefit corporation, within the Department of Health, to manage the delivery of mental health services for child, adolescent, and adult consumers.

Proponents of this bill included the Alliance for the Mentally Ill, the Mental Health Association of Hawaii, and the Hawaii Medical Association, all of whom supported the intent of the bill. The Department of Health supported the intent of the bill and agreed to its conceptual aspects. However, they felt that the subject matter required considerably more study and stated that they were currently discussing the situation. It was also stated that they were preparing to evaluate the findings contained in a governance study recently completed by the LRB. Further, the department felt that this bill was premature and that the massive infrastructural changes that would be required to carry out this measure warranted their opposition to its passage at this time.

It was noted by your Committee that the ways in which mental health services are presently provided by the public system in Hawaii do not work, are archaic and have resulted in the provision of services in ways that are not responsive to mental health consumers. Your Committee also noted that the Hawaii mental health system is hampered and bound by unnecessarily complicated, bureaucratic procedures that effectively undermine the services to and the mental health of clients. Your Committee felt that passage of this bill was necessary to continue the process towards a model mental health system.

In accordance with the abovementioned findings, your Committee has amended this bill by:

- (1) Removing the Waianae Coast Comprehensive Mental Health Center, Inc. from the list of community mental health centers that may be placed under the jurisdiction of the corporation. This was based on the fact that the Waianae Coast Comprehensive Mental Health Center, Inc. is a private corporation and is not within the jurisdiction of the public mental health system.
- (2) Appropriating the amount of \$1 for the purposes of further discussion.

Other technical nonsubstantive amendments were made for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2555, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2555, H.D. 1, and be referred to the Committee on Labor and Public Employment.

Signed by all members of the Committee except Representative Tanimoto.

**SCRep. 8-94 Health and Human Services on H.B. No. 2400**

The purpose of this bill is to afford the elder population of Hawaii, both now and in the future, an alternative to expensive institutional long-term care by encouraging and supporting the development and expansion of community based adult day health centers as an alternative to long-term care.

The Hawaii Chamber of Commerce, National Association of Retired Federal Employees, the Kokua Council, Kuakini Geriatric Care Services, Wilcox Memorial Hospital Senior Services, and various other adult day centers and organizations testified in support of this bill. The State Department of Health supported the intent of this bill but felt that the area of adult day health centers was complex and that no easy solution was immediately available. However, they stated that they were reviewing their regulations to determine the feasibility of adding a waiver clause to allow for flexibility and growth of

the industry. The Department of Human Services also supported the intent of this bill but deferred the matter of licensing to the Department of Health.

Your Committees note that Adult Day Centers provide a viable alternative to long term care and that they provide a great deal of services for older adults and their caregivers. It is also recognized by your Committees that not all of Hawaii's citizens are suited for nursing home care and that at least twenty-five percent of nursing home residents could be placed in their homes with community support. Your Committees feel that Adult Day Centers are the wave of the future and that we need to keep moving in the right direction.

Accordingly, your Committees have amended this bill by:

- (1) Deleting a section which integrated the elderly into the Developmental Disabilities Division (DDD) program which would compromise the care of both populations and would make the DDD's program an elderly service, which was not the original purpose of the DDD.
- (2) Adding language to require that the Department of Health and the Department of Human Services submit a written report to the Legislature, 20 days prior to the beginning of the 1995 Session, which addresses the adoption, amending, or repealing of rules that pertain to adult day health centers and adult day care centers.

Other nonsubstantive, technical amendments were made for the purposes of clarity and style.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2400, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2400, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Peters, White and Tanimoto.

**SCRep. 9-94 Health and Human Services on H.B. No. 2558**

The purpose of this bill is to expand the program of mental health services for children and adolescents and to acquire a mental health facility for children and adolescents at the Windward Oahu Community Mental Health Center.

Testimonies from the Kokua Council, the Hawaii Psychiatric Medical Association, the Mental Health Association of Hawaii and various other community groups and concerned citizens support this measure. The State Department of Health, while supporting the intent of this measure, could not support its funding at this time.

Your Committees note that there is a lack of adequate child and adolescent mental health services in the State of Hawaii, particularly at the Windward Oahu Community Mental Health Center. However, your Committees realize that this is not an isolated case and that statistics show that this situation exists at community mental health centers throughout the State. This is especially true for those children and adolescents on the neighbor islands.

Therefore, your Committees have amended this bill by appropriating the amount of \$1 for the purposes of continued discussion. Other technical, nonsubstantive amendments were made for the purposes of clarity and style.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2558, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2558, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Peters, White and Tanimoto.

**SCRep. 10-94 Health and Human Services on H.B. No. 2559**

The purpose of this bill is to expand the program of mental health services for children and adolescents and to acquire a mental health facility for children and adolescents at the Windward Oahu Community Mental Health Center.

Testimonies in support of this bill were received from the Kokua Council, the Hawaii Psychiatric Medical Association, and the Mental Health Association of Hawaii. The Department of Health supported the intent of the bill but could not support the increased funding for the expansion of the program at this time.

It is noted by your Committees that child and adolescent mental health is an enormous problem in the State of Hawaii, especially in the rural areas. Your Committees are also aware of the thousands of children in Hawaii that have severe and disabling mental illnesses who are underserved by the present system.

Therefore, in accordance with these findings, your Committees have amended this bill by appropriating the amount of \$1 for the purposes of further discussion. Other technical nonsubstantive amendments were made for the purposes of clarity and style.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2559, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2559, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Peters, White and Tanimoto.

**SCRep. 11-94                      Judiciary on H.B. No. 2312**

The purpose of the bill is to clarify that the marriage licensing statutes relate solely to male-female couples, and that the primary purpose of issuing marriage licenses is to regulate and encourage the civil marriage of those couples who appear, by virtue of their sex, to present the biological possibility of producing offspring from their union.

Testimony in support of the bill was received by your Committee from representatives of the Christian Voice of Hawaii, St. John's Church, Christian Coalition of Hawaii, Roman Catholic Church of Hawaii, Church of Jesus Christ of Latter-Day Saints, and other organizations as well as from numerous private individuals.

Testimony in opposition to the measure was received by your Committee from representatives of the Hawaii Civil Rights Commission, ACLU Hawaii, Hawaii Equal Rights Marriage Project and other organizations as well as from numerous private individuals.

Your Committee notes that the Hawaii Supreme Court, in Baehr v. Lewin, 852 P.2d 44 (1993) placed a burden upon the State of Hawaii to identify a purpose behind Hawaii's marriage licensing laws. The Hawaii Court, unlike every other court in the country which has considered the matter, was unable to discern any connection between the marriage laws and the promotion and protection of the propagation of the human race. Instead, the plurality opinion suggests that the only apparent purpose for licensing marriage is to provide "access" to a number of rights and benefits.

This result was reached upon a mistaken view of the legislative intent in enacting Act 119, 1984 Haw. Sess. Laws.

Act 119, as correctly noted by the Court, deleted the then existing prerequisite that "[n]either of the parties is impotent or physically incapable of entering into the marriage state[.]"

The Court, however, goes on to state, at page 3, footnote 2 of the plurality opinion that "The legislature's own actions thus belie the dissent's wholly unsupported declaration, . . . that 'the purpose of HRS §572-1 is to promote and protect propagation . . .'"

This unfortunate conclusion led the Hawaii Court to examine the constitutionality of the statute without the benefit of a correct understanding of the compelling interest of the State underlying Hawaii's marriage laws.

Considering that the Court was laboring under this misapprehension, it is not entirely surprising that the Hawaii Court reached the novel, unique and unprecedented conclusion that denying a marriage license to same-sex couples is presumptively unconstitutional.

It is your Committee's firm intention, as declared unequivocally in the purpose clause of the bill, to express this Legislature's intent that the propagation, health, and well-being of future generations form the central underlying basis and purpose of the State's regulation of marriage, and for confining the issuance of a marriage license to male-female couples.

Your Committee finds that the 1984 amendments to the marriage licensing laws were intended to conform the marriage licensing statutes to the well established constitutional principle that "the right to marry is part of the fundamental 'right of privacy' implicit in the Fourteenth Amendment's Due Process Clause," (Zablocki v. Redhail, 434 U.S. 374, 384, 98 S. Ct. 673, 680, 54 L. Ed. 2d 618 (1978)), and were not intended to attenuate the fundamental purpose of HRS §572-1.

Your Committee notes that the Hawaii Supreme Court recognized in Baehr that this fundamental right to marry applies only to couples of the opposite sex, and specifically does not apply to couples of the same sex. Hence, the Legislature in 1984 and again with this legislation, confirms that the marriage licensing laws should, and must, accommodate male-female couples with physical limitations on their productive capacities.

The statute, therefore, is drawn as narrowly as possible to avoid unnecessary abridgments of constitutional rights, by excluding only those couples, who, by their genetic composition, cannot possibly produce a child from their union and who have no fundamental right to a state-licensed marriage.

Your Committee wishes to make it absolutely clear that the bill does not require anyone to have children in order to get married, nor does it require any person to have children in order to remain married, nor does it prohibit the elderly or handicapped from receiving and retaining a marriage license. This measure also does not in any way impact on the contraceptive or reproductive decisions of any person.

No one could seriously argue that the framers of the Hawaii State Constitution in adopting a prohibition against sex discrimination intended to compel the issuance of marriage licenses to couples of the same sex. And indeed, this type of provision has been properly construed as not infringing upon a state's decision to confine the issuance of marriage licenses to opposite sex couples when the purpose of doing so is in accord with the vital societal values associated with the propagation of the human race. Singer v. Hara, 11 Wash. App. 247, 522 P.2d 1187, review denied, 84 Wash.2d 1008 (1974).

Your Committee finds that the licensing laws are regulatory in nature, and were designed specifically to address the concerns that arise when opposite sex couples unite. To simply grant marriage licenses to same-sex couples is to raise a host of questions as to the logic behind many of the laws that apply to legally married couples. If the marriage licensing laws do not have as their fundamental purpose the propagation, health, and well-being of future generations, but are instead simply a gateway to benefits, there seems little reason or logic in, for example, limiting their application solely to

couples, or in requiring judicial review of the dissolution of the union, or in imposing parental responsibility upon both partners to the union, or in prohibiting the marriage of close relatives.

Rather, this State has, as have the other forty-nine states, designed a system which seeks to support and encourage the legally-married status as the most desirable status in which to bear and rear children. Your Committee is concerned that a marriage licensing system which is deemed to be without the fundamental purpose common to that of the other states in the union may not be recognized in those states.

The issuance of a license, and hence the regulatory aspect of the marriage licensing laws is distinct and separate from the issue of whether same-sex couples, or indeed divorced or single persons, whether part of a couple or not, are constitutionally entitled to some or all of the benefits which the Legislature has created as an inducement for opposite-sex couples to obtain a marriage license and submit themselves to regulation by the State.

Your Committee finds that it would be a grave mistake for constitutional issues to be decided based upon a mistaken view of the Legislature's intent in creating and continuing the status of a state-licensed marriage. Furthermore, as noted in State v. Wilson, 856 P.2d 1240, 1245 (Haw. 1993), it is proper and useful for the Legislature to clarify the intent of its actions in such circumstances.

Finally, your Committee notes that marriage is not a word reserved exclusively to the State. The State licenses and regulates opposite-sex couples, and it is only that licensed relationship to which the State refers in its statutes and laws. Such action, however, does not impinge upon the ability of same-sex couples to structure their legal relationship in accordance with their own personal, moral or religious beliefs.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2312 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Oshiro and Takamine.  
(Representatives Amaral, Chun and Hirono voted no.)

**SCRep. 12-94 Energy and Environmental Protection on H.B. No. 2645**

The purpose of this bill is to establish an environmental health program and enhancement fund within the Department of Health. The money from this fund is to be expended by the Department of Health in order to enhance the capacity of environmental health programs to:

1. Improve public outreach efforts;
2. Educate the public and staff;
3. Plan for future growth and expansion to meet emerging needs; and
4. Provide training opportunities to ensure the maintenance of professional competence of environmental health staff and administration.

Testimony from the Department of Health was strongly in support of the bill, as was the testimony from the Sierra Club. The Hawaii Sugar Planters' Association testified against the establishment of special funds in general.

Your Committee recognizes the value of environmental education and notes the importance of the department's programs in improving the quality of life for the people of the State. Your committee also notes that environmental health programs are hard-pressed to provide continuing education for their staffs or to provide adequate public outreach because of the lack of State general funds to support these vital training and educational activities.

Accordingly, your Committee has passed the bill without amendment. As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2645 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representative Takamine.

**SCRep. 13-94 Higher Education and the Arts on H.B. No. 2356**

The purpose of this bill is to provide tuition fee waivers for qualified spouses and dependents of national guard members who have been killed or permanently disabled while on active duty.

Testimony in support of this bill was heard from the State of Hawaii Department of Defense and the University of Hawaii.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2356 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki, Duldulao, M. Ige, Shon and Taniguchi.

**SCRep. 14-94 Higher Education and the Arts on H.B. No. 2357**

The purpose of this bill is to clarify eligibility for tuition waivers at the University of Hawaii for veterans or those receiving federal education benefits.

Testimony was received by the State of Hawaii Department of Defense and the University of Hawaii in support of this bill.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2357 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki, Duldulao, M. Ige, Shon and Taniguchi.

**SCRep. 15-94 Higher Education and the Arts on H.B. No. 3055**

The purpose of this bill is to define time limitations and eligibility of tuition waivers for veterans. This bill extends the period of effectiveness from 1994 to 2004.

Testimony was received from the University of Hawaii and the State of Hawaii Department of Defense in support of this bill.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3055 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Duldulao, M. Ige, Taniguchi and Yonamine.

**SCRep. 16-94 Hawaiian Affairs on H.B. No. 2622**

The purpose of this bill is to extend the time period for the Department of Land and Natural Resources (DLNR) to enter into lease agreements with Hawaiian families who have been displaced by lava flows in Kalapana on the island of Hawaii. This bill would extend the sunset date of Act 314, Session Laws of Hawaii (SLH) 1991, as amended by Act 172, SLH 1993, from December 31, 1994, to December 31, 1995.

Both DLNR and the Office of Hawaiian Affairs (OHA) testified in support of this measure. According to DLNR, this bill would provide the necessary time to complete construction of the residential subdivision and negotiate and enter into lease agreements with the displacees. OHA suggested the creation of a community land trust (CLT) as one means to better meet the needs of Kalapana residents. Briefly, a CLT is a democratically-controlled, non-profit organization which holds land for local communities. They are formed to give community residents control of the land and access to natural resources. Your Committee finds that the concept of CLTs deserve investigation. Following discussions, DLNR and OHA agreed to consider this matter further.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2622 and recommends that it pass Second Reading and be referred to the Committee on Water and Land Use Planning.

Signed by all members of the Committee except Representatives D. Ige and Tanimoto.

**SCRep. 17-94 Hawaiian Affairs on H.B. No. 2780**

The purpose of this bill is to meet the changing fiscal needs of the Office of Hawaiian Affairs (OHA) during fiscal year 1994-1995 by amending Act 276, Session Laws of Hawaii 1993, OHA's biennial budget for fiscal years 1993-1995.

OHA submitted testimony that identified the proposed amendments which had been discussed earlier during your Committee's budget briefing held on January 24, 1994. OHA also concurred with the Legislative Auditor's recommendation that OHA's funds should properly be classified as trust funds. Accordingly, your Committee has amended this bill by substituting references to "special funds" with "trust funds" on: page 7, lines 9 and 17; page 8, lines 6 and 18; page 9, lines 3 and 21; page 10, lines 10 and 21; and page 11, line 9.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2780, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2780, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives D Ige and Tanimoto.

**SCRep. 18-94 Housing on H.B. No. 2912**

The purpose of this bill is to provide for a time extension of 90 days to state agencies to consider requests for the construction of housing in contested case proceedings.

Your Committee is in agreement that Act 227, SLH 1992, may not provide sufficient time for a contested case. The extra 90 days that HB 2912 will provide will allow for more time to gain sufficient evidence and information upon which to base a decision. It would also give applicants or developers a longer time period in which to prepare their cases.

This bill will help to streamline the lengthy process for obtaining necessary approvals for housing development. It is designed to protect due process and ensure adequate notice and opportunity to present evidence when agencies use contested case proceedings. Without HB 2912, such agencies may be forced to deny applications for housing development.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2912 and recommends that it pass Second Reading and be referred to the Committee on Intergovernmental Relations and International Affairs.

Signed by all members of the Committee except Representatives Pepper, Peters and Tanimoto.

**SCRep. 19-94 Labor and Public Employment on H.B. No. 2359**

The purpose of this bill is to require attorneys' fees to be awarded, against an employer who controverts an injured employee's right to benefits, to an employee who retains an attorney who is successful upon a proceeding on the claim.

Your Committee received testimony in support of this bill from the Hawaii Government Employees Association, the ILWU Local 142, the Hawaii State AFL-CIO, the Pro Active Workers' Task Group and some of its members, and other private citizens.

Testimony in opposition to this bill was received from the Department of Labor and Industrial Relations, the Hawaii Independent Insurance Agents Association, the Hawaii Insurers Council, the Chamber of Commerce, and the Building Industry Association of Hawaii.

Your Committee has amended this bill to clarify that the lump sum paid by the employer to the employee's attorney, pursuant to subsection (a), includes the unpaid compensation due to the employee as well as attorneys' fees and costs awarded.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2359, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2359, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representatives Alcon and Taniguchi.  
(Representative Ward voted no.)

**SCRep. 20-94 Human Services on H.B. No. 2567**

The purpose of this bill is to allow each taxpayer subject to the tax imposed by Chapter 235, HRS, a credit, equal to 50 per cent of the taxpayer's qualified child care program expenses, against their net income tax liability.

Testimony from The Hawaii Business League, National Federation of Independent Business, Small Business Hawaii, and The Chamber of Commerce of Hawaii was received in support of this measure. Although the Governor's Office of Children and Youth supports the intent of the measure, they will defer to the State Department of Taxation.

The State Department of Taxation submitted testimony in opposition to this measure stating that this bill will result in a decrease of revenues to the general revenue. A decrease at this time will have an adverse affect on current and future program needs.

It is noted that affordable childcare is a growing problem for many parents and this tax incentive will encourage employers to make contributions toward childcare costs of their employees. However, the inclusion of broad categories of expenses related to time off policy, employee leave, and alternative work schedules as "qualified childcare program expenses" could result in use of the proposed tax credits to cover expenses not directly related to childcare.

Your Committee is in full support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2567 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Peters and Tanimoto.

**SCRep. 21-94 Human Services on H.B. No. 2510**

The purpose of this bill is to require the Department of Personnel Services to review the functions, duties, and pay scales of all the levels of child welfare services social workers, and then reclassify and reprice all the levels of child welfare services social workers.

Testimonies in support of this bill were received from the Department of Human Services, Hawaii Chapter of the American Academy of Pediatrics, the National Association of Social Workers, Friends of the Children's Advocacy Centers of Hawaii, Child Welfare Services Advisory Committee to the Department of Human Services, School of Social Work-UH, and employees from Child Protective Services.

The Department of Personnel Services objects to the bill because it subverts the State's legislatively-mandated compensation and collective bargaining processes.

Your Committee suggested that the Department of Personnel and the Department of Human Services develop language regarding a new pay category for child welfare social workers that would not conflict with existing compensation and collective bargaining processes.

Your Committee is in support of this bill.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2510 and recommends that it pass Second Reading and be referred to the Committee on Labor and Public Employment.

Signed by all members of the Committee except Representatives Duldulao, Peters and Tanimoto.

**SCRep. 22-94 Human Services on H.B. No. 2221**

The purpose of this bill is to centralize and coordinate efforts to locate, recover, and protect missing children. It establishes a clearinghouse demonstration project within the Department of the Attorney General.

Testimony from the Women's Political Caucus, Hawaii Commission on the Status of Women, The Sex Abuse Treatment Center, National Center For Missing & Exploited Children, Department of the Prosecuting Attorney, Hawaii Green Party-Oahu, Hawaii State Coalition Against Sexual Assault, Parents and Children Together, and six individual citizens support this measure. The State Attorney General submitted testimony supporting the intent of this measure, but was unable to support funding that would redirect previously budgeted or requested departmental or executive branch funding.

The Governor's Office of Children and Youth (GOCY) submitted testimony in opposition to this measure. Although the GOCY does recognize the importance of the establishment of a clearinghouse, they recommend that a model be immediately defined for our state and that existing and future resources be evaluated to see what can be done to establish a clearinghouse for missing children in our state.

It is noted that the state clearinghouse for missing and exploited children is an essential link to the system serving child victims and their families.

Your Committee is in full support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2221 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Duldulao, Pepper, Peters and Tanimoto.

**SCRep. 23-94 Human Services and Housing on H.B. No. 2242**

The purpose of this bill is to exempt transitional facilities for domestic abuse victims from the landlord-tenant code. This will assure that individuals who pose a threat to the safety of the facility are removed in a timely manner.

Testimony was received from Hawaii State Commission on the Status of Women and Child & Family Services Transitional Apartments in strong support for this measure.

It is noted that transitional housing facilities for battered women and children provide a safe haven for victims of domestic abuse.

Your Committee is in full support of this measure.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2242 and recommend that it pass Second Reading and be referred to the Committees on Consumer Protection and Commerce and Judiciary.

Signed by all members of the Committees except Representatives Duldulao, Peters and Tanimoto.

**SCRep. 24-94 Intergovernmental Relations and International Affairs on H.B. No. 2339**

The purpose of this bill is to exempt all property of a judgment debtor from attachment and execution, where judgment is in favor of any state for failure to pay that state's income tax on pension or other retirement plan benefits.

Your Committee received testimony in favor of this measure from the Federal Employees Federation and concerned members of the retired community, who retired to Hawaii from other states. Your Committee also received testimony in opposition to this measure from the tax department.

Your Committee finds that six other states have provided protection for their resident retirees through the same type of legislation and all six states have not suffered retaliation from California, nor have there been an invoking of the full faith and credit clause.

Your Committee is deeply concerned about the arbitrary way in which California taxes some pensions while failing to tax other pensions. This arbitrariness causes some retirees to live in fear of the possibility of harsh retroactive penalties and interest should California decide to begin.

Your Committee believes that while the California "source tax" on pensions may be constitutional, it is the State's responsibility to protect the property of its resident retirees who no longer live in the state of California by exempting all property of a judgment debtor from attachment and execution.

As affirmed by the record of votes of the members of your Committee on Intergovernmental Relations and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2339 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

**SCRep. 25-94 Intergovernmental Relations and International Affairs on H.B. No. 2294**

The purpose of this bill is to restore the original intent of Section 46-1.5, Hawaii Revised Statutes, through technical amendments.

Your Committee received testimony in support of the measure from the chair of the Honolulu County Council. Your Committee believes that the technical amendments set forth in this measure are necessary for accuracy and clarity.

As affirmed by the record of votes of the members of your Committee on Intergovernmental Relations and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2294 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

**SCRep. 26-94 Health on H.B. No. 2491**

The purpose of this bill is to clarify existing prescription drug laws by identifying who is authorized to dispense prescription drugs, and by specifying the contents of a written prescription for a prescription drug.

Testimonies in support of this measure were received from the State Department of Health, the Board of Pharmacy, the Hawaii Nurses Association, and the Hawaii Pharmaceutical Association.

Your Committee recognizes that currently it is unclear as to the information required for a valid prescription and as to who has the authority to dispense a prescription drug. It was understood by your Committee that at the present time, the responsibility of determining the validity of a prescription has rested solely upon pharmacists because the existing law does not presently require prescribing physicians to adhere to the requirements of a valid prescription. It was felt by your Committee that the best interests of all patients would be met by mandating prescribers to adhere to the minimum requirements of a valid prescription.

Upon further consideration, your Committee has amended this bill by amending the definition of practitioner to include all persons licensed by the State of Hawaii to prescribe prescription drugs within the scope of the licensed persons practice. Your Committee also wanted it noted that in no way were they attempting to authorize restrictions to the practice of ordering prescriptions through the mail.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2491, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2491, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representative Arakaki.

**SCRep. 27-94 Health on H.B. No. 2740**

The purpose of this bill is to appropriate funds for the fiscal year 1994-1995 to control rodents in small farms. The appropriation will be used by the Health Department's Vector Control Branch to purchase rodenticides for demonstrations on the proper use of rodenticides at small farms with serious rodent infestation.

Testimony supporting the intent of this bill was received from the Department of Health, although they were unable to support funding given the current fiscal circumstances of the state.

It was noted by your Committee that effective rodent control at these farms will not only protect our food supply from rodent transmitted diseases such as trichinosis, salmonella, and leptospirosis, but also those living in subdivisions that encroach upon farmlands.

After further consideration, your Committee has amended this bill accordingly by appropriating the amount of \$1 for the purpose of further discussion.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2740, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2740, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Arakaki.

**SCRep. 28-94 Health on H.B. No. 2192**

The purpose of this bill is to prohibit the sale of cigarettes or other tobacco products in public or private health care facilities, including, but not limited to, hospitals, clinics, and physicians' and dentists' offices.

Your Committee received testimonies supporting the intent of this bill from the State Department of Health, the Healthcare Association of Hawaii, the Hawaii Medical Association, the American Lung Association, and the American Cancer Society, as well as various members of the community.

It was recognized by your Committee that smoking kills approximately 420,000 people each and every year and that it remains the single, most preventable cause of death in our society. Your Committee also noted that it would be a double standard to allow the medical community, one which supposedly promotes healthy living, to sell tobacco products.

Accordingly, your Committee amended this bill by editing language to change a fine for any violations from \$1000 per day to \$100 per day. Other technical, non-substantive amendments were made for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2192, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2192, H.D. 1, and be referred to the Committees on Consumer Protection and Commerce and Judiciary.

Signed by all members of the Committee except Representative Arakaki.

**SCRep. 29-94 Energy and Environmental Protection on H.B. No. 2176**

The purpose of this bill is to expand the law relating to procurement of petroleum products to include certain aviation fuels and to increase the allowable set aside of petroleum products from 5% to 10%.

Testimony in support of the bill's intent was received from the Department of Business, Economic Development, and Tourism, although the department preferred an Administration, which was said to more clearly define the kinds of fuels affected by the proposed changes in the set aside allowance. Testimony received from Chevron Industries also favored more specific language about the fuels to be affected. Chevron Industries agreed that a 10% set aside was acceptable for aviation fuels, but a 3% to 5% reserve of other types of fuel would be sufficient for emergency purposes.

Your Committee agrees that fuels must be set aside for emergency situations. In accordance with the testimonies received, the bill was amended to specifically designate that the allowable set aside for aviation fuels should not exceed 10%, and that the allowable set aside for other types of fuel should remain at 5%.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2176, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2176, H.D. 1, and be referred to the Committees on Consumer Protection and Commerce and Judiciary.

Signed by all members of the Committee except Representatives Hirono, Nekoba and Takamine.

**SCRep. 30-94 Energy and Environmental Protection on H.B. No. 2641**

The purpose of this bill is to allow consideration of economic benefit, if any, resulting from an air pollution violation and of such other matters as justice may require in imposing an administrative penalty for violation of chapter 342B.

Testimony in support of the bill was received from the Department of Health, the Department of the Attorney General, the Hawaii Electric Company, Hawaii's Thousand Friends, the Sierra Club, the Hawaii Sugar Planters' Association, and the University of Hawaii's Environmental Center, among others. No opposition to the bill was voiced.

Accordingly, your Committee agreed to pass the bill without amendment. As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in

accord with the intent and purpose of H.B. No. 2641 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Takamine.

**SCRep. 31-94 Energy and Environmental Protection H.B. No. 2642**

The purpose of this bill is to allow consideration of economic benefit, if any, resulting from a water pollution violation and of such other matters as justice may require in imposing administrative penalties for water pollution.

Testimony was received from the Department of Health, the Department of the Attorney General, the Hawaii Sugar Planters' Association, the Sierra Club, Hawaii's Thousand Friends, Hawaii Electric Company, and various other organizations and private citizens. All the testimony presented was in support of the bill.

In accordance with the testimony heard, your Committee unanimously agreed to pass H.B. No. 2642 with no amendments.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2642 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Takamine.

**SCRep. 32-94 Labor and Public Employment on H.B. No. 2362**

The purpose of this bill is to authorize retirement credits for public employees with a minimum of ten years of service with the Hawaii National Guard.

Your Committee is deeply concerned about providing a strong and efficient state militia. In order to ensure that the State's public safety and emergency capabilities are maintained, your Committee believes that this measure will generate incentives to attract and retain personnel to complete their career in the Hawaii National Guard.

Your Committee received testimony in favor of this measure from the Department of Defense, the Hawaii Air National Guard, the State of Hawaii Organization of Police Officers, the Hawaii National Guard Family Advisory Council, the Hawaii Army National Guard, and the Hawaii National Guard Enlisted Association. Your Committee also received testimony in opposition to this measure from the Hawaii Government Employees' Association. The Employees' Retirement System also submitted testimony regarding this bill and indicated that cost estimates for enacting this measure were undeterminable.

Your Committee has amended the bill on page 1, line 5, by replacing "public employee" with "a member of the retirement system."

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to your report, your Committee is in accord with the intent and purpose of H.B. No. 2362, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2362, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Taniguchi.

**SCRep. 33-94 Higher Education and the Arts on H.B. No. 2596**

The purpose of this bill is to establish a revolving fund for the Social Sciences Training and Research Laboratory of the College of Arts and Sciences of the University of Hawaii at Hilo.

Testimony was heard in support of this bill from the University of Hawaii and Hilo.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2596 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Chumbley, Duldulao, D. Ige, M. Ige and Yonamine.

**SCRep. 34-94 Higher Education and the Arts on H.B. No. 3198**

The purpose of this bill is to establish the University of Hawaii at Manoa intercollegiate athletics revolving fund and the University of Hawaii at Hilo intercollegiate athletics revolving fund.

Testimony in favor of this bill was heard from the University of Hawaii.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3198 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Chumbley, Duldulao, D. Ige, M. Ige and Yonamine.

**SCRep. 35-94 Higher Education and the Arts on H.B. No. 3336**

The purpose of this bill is to establish a revolving fund to support the University of Hawaii Labor and Research Center.

Testimony in support of this bill was heard from the University of Hawaii, the Labor Education and Advisory Council, the ILWU Local 142, the Hawaii State AFL-CIO, and the HGEA/AFSCME Local 152.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3336 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Chumbley, Duldulao, D. Ige, M. Ige and Yonamine.

**SCRep. 36-94 Intergovernmental Relations and International Affairs on H.B. No. 3048**

The purpose of this measure is to allow the counties to enact ordinances that will allow for the collection of a county general excise and use tax at a rate of a half percent.

Your Committee received testimony in favor of this measure from the Budget Director of the City and County of Honolulu and the Chairman of the Maui County Council. Testimony in opposition of this measure was received from the state Department of Taxation, the Tax Foundation, the Honolulu Chamber of Commerce, and concerned citizens.

Your Committee finds that the counties are increasingly faced with budget needs that cannot be met with traditional financing methods of real property tax, the tourist accommodations tax, and state grants-in-aid. An extreme downturn in tourism, Japanese investments, construction, and the economy as a whole have only exacerbated the problem.

While cognizant of the current economic hardships, your Committee feels that the counties should be empowered to collect a portion of general excise and use taxes as this will allow a degree of greater home rule and self-determination.

As affirmed by the record of votes of the members of your Committee on Intergovernmental Relations and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3048 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Alcon and Hagino.  
(Representatives Shon and Ward voted no.)

**SCRep. 37-94 Ocean Recreation and Marine Resources on H.B. No. 2177**

The purpose of this bill, as received by your Committee, is to amend Section 188-29(a), Hawaii Revised Statutes, to increase the minimum size of nets or bullpen traps from not less than two inches of stretched mesh to not less than two and three-fourths inches after December 31, 1997.

Your Committee on Ocean Recreation and Marine Resources finds that larger net sizes will permit juvenile fish to pass through the nets unharmed, and allow them to mature and reproduce. Turtles and other marine life may be less likely to become entangled if the net size is increased.

Your Committee heard supportive testimonies from the Department of Land and Natural Resources, Maui County Aquatic Life and Wildlife Advisory Committee; from the Environmental Center, University of Hawaii; and from a person who fishes for recreation. The Environmental Center testified that this measure will provide more effective resource conservation, but that it will affect the success rates of both recreational and subsistence fishermen.

Persons who use bullpen trapping as a method for catching fish testified that the larger net size should not apply to them, since bullpen traps do not entangle fish and other aquatic life. Increasing the net size of these traps will increase the risk of gilling fish and-entangling turtles and other aquatic life.

Your Committee has amended this bill by restricting it to monofilament gill netting and accelerating its implementation.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2177, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2177, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Tajiri and Thielen.

**SCRep. 38-94 Higher Education and the Arts on H.B. No. 2543**

The purpose of this bill is to provide appropriations to increase the number of interns participating in the University of Hawaii's legislative internship program from fifteen to twenty, and to raise the stipend of each legislative intern from \$1,500 to \$1,750 per session.

Testimony in support of this measure was submitted by the Dean of the College of Continuing Education and Community Service, University of Hawaii at Manoa.

Your Committee acknowledges the significant contributions of the legislative interns in assisting various legislators' during the legislative session, as well as the need for an increase in stipend due to the high cost of living in Hawaii.

Upon consideration, your Committee is reluctant to approve this measure due to budgetary concerns and the current economic recession.

Your Committee has amended this bill as follows:

- (1) Sustain the number of intern participants in the legislative internship program at fifteen.
- (2) Appropriate out of the general revenues of the State of Hawaii the sum of \$24,000, or so much thereof as may be necessary for fiscal year 1994-1995, to increase the stipend per intern from \$1,500 per session to \$1,600 per session.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2543, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2543, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Chumbley, Duldulao, D. Ige, M. Ige and Yonamine.

**SCRep. 39-94 Health on H.B. No. 2720**

The purpose of this measure is to make an appropriation to the State Department of Health to enhance the awareness of pain management therapy so that both the public and health professionals can take advantage of available pain management knowledge.

Testimonies supporting the intent of this bill were received from the State Department of Health, the Hawaii Nurses Association, Hawaii Right to Life, the Hawaii Cancer Pain Initiative, the American Cancer Society, and various concerned members of the community.

Your Committee realizes that cancer pain afflicts approximately 70% of cancer patients and that cancer pain relief is a national, as well as an international, problem. It was also noted by your Committee that about 25% of these patients die without relief from severe pain. Further, your Committee recognizes that much of this pain can be managed with aggressive pain management strategies. It was also pointed out to your Committee that many other people, besides cancer patients, also suffer from severe pain and are greatly aided by pain management techniques.

Accordingly, your Committee has amended this bill by:

- (1) Both inserting and deleting language in order that all persons suffering from severe pain would be included.
- (2) Inserting language that would allow accessibility for all health professionals in order that they may take advantage of available pain management information instead of just the public and medical profession.
- (3) Appropriating the sum of \$1 for the purposes of further discussion.
- (4) Inserting language that provides for the distribution of information on all techniques for pain management rather than only the most current techniques.

Other technical non-substantive amendments were made for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2720, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2720, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

**SCRep. 40-94 Agriculture on H.B. No. 2297**

The purpose of this bill is to appropriate funds to conduct research on the opportunities to develop value-added by-products from citrus fruits in the State, including examining the depth and availability of in-state and out-of-state markets to promote and sell these products.

While Hawaii's citrus fruit industry comprises just a small segment of the billion-dollar U.S. citrus fruit industry, your Committee recognizes that Hawaii's citrus fruit industry is an essential component of the diversified agriculture in the State. With current processing and other technologies, there is considerable potential to derive value-added by-products from Hawaii's citrus fruits, such as soap additives, flavor additives, and nutritional additives.

Your Committee received supporting testimony from two private citizens. Written testimony was also received from the Dean of the University of Hawaii College of Tropical Agriculture and Human Resources. The Chair of the Board of Agriculture testified in opposition to the bill.

Upon further consideration, your Committee has amended the bill by:

- (1) Inserting the sum of \$5,000 to conduct research on the opportunities to develop value-added by-products on citrus fruits in the State and to examine the depth and availability of in-state and out-of-state markets to promote and sell these products; and
- (2) Stipulating that the research on citrus fruits include oranges, lemons, limes, and other citrus fruits.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2297, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2297, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Ishii-Morikami and Tam.

**SCRep. 41-94                      Agriculture on H.B. No. 2210**

The purpose of this bill is to appropriate funds to conduct research on kenaf, which is being considered as an alternate crop to sugar on the island of Hawaii.

Your Committee recognizes that kenaf, or *Hibiscus cannabinus*, is a potentially viable crop as a replacement for sugarcane on the island of Hawaii. Besides kenaf, other fibrous crops such as sunn hemp, abaca, and eucalyptus, also are likely sources of papermaking fiber for the State. Your Committee further recognizes that efforts to facilitate the replacement of sugarcane with alternative crops will help to address the concerns of the community as a result of the slowdown of the sugar industry in the State.

The Governor's Agriculture Coordinating Committee testified in support of the bill insofar as it does not replace the Department of Agriculture's priorities in the Executive Biennium Budget. The Department of Hawaiian Home Lands submitted testimony in support of the intent of the bill. Your Committee also received written comments from the Dean of the University of Hawaii College of Tropical Agriculture and Human Resources.

Upon consideration, your Committee has amended the bill by inserting the sum of \$20,000 to conduct research on kenaf. Your Committee has also amended the bill to include in the purpose section of the bill that sunn hemp, abaca, and eucalyptus are also viable sources of fibrous material that offer significant crop-growth potential in Hawaii.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2210, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2210, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Ishii-Morikami, Tam and Marumoto.

**SCRep. 42-94                      Agriculture on H.B. No. 424**

The purpose of this bill is to support agriculture.

H.B. No. 424 was introduced as a short-form bill, which is sometimes referred to as a "vehicle" bill primarily used to introduce a bill containing only a general idea as to the purpose of the bill without specific details in long form. Your Committee has amended the bill to provide the substantive contents of the bill in long form so that a public hearing may be properly held on its substantive contents.

Your Committee recognizes that the lack of feeding, slaughtering, and processing facilities in the State threaten the continued development and viability of Hawaii's livestock industry. Hawaii's farmers and ranchers need these facilities to ensure the survivability of their businesses.

In light of this, your Committee has amended this bill by using this short-form bill as a means to provide assistance and support to Hawaii's livestock industry. The purpose of H.B. No. 424, in its amended form, is to appropriate funds to:

- (1) Construct a slaughterhouse on the island of Molokai;
- (2) Study the feasibility of constructing a rendering facility on the island of Molokai;
- (3) Plan, design, and construct a cattle facility, rendering facility, and meat processing facility on the island of Maui; and
- (4) Construct a storage cooling facility in Ka'u on the island of Hawaii.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the action to report out H.B. No. 424, as amended herein, and recommends that it be recommitted to the Committee on Agriculture, for the purpose of holding a public hearing thereon, in the form attached hereto as H.B. No. 424, H.D. 1.

Signed by all members of the Committee except Representatives Ishii-Morikami and Tam.

**SCRep. 43-94                    Agriculture on H.B. No. 425**

The purpose of this short form bill is to provide a vehicle for substantive legislation relating to agriculture.

Your Committee finds that Section 3 of Article XI of the Constitution of the State of Hawaii requires the State to conserve and protect agricultural lands. The section further protects these lands by prohibiting the reclassification of lands identified as important agricultural lands by the State or its political subdivisions.

Despite the protections mandated under the Constitution, your Committee finds that the State's overall supply of prime agricultural lands continues to decline. Your Committee finds it is imperative that all lands of agricultural value be so designated and be utilized for productive agricultural purposes. In this regard, this bill has been amended to require the Department of Agriculture and the Office of State Planning to identify prime agricultural lands throughout the State to ensure their preservation and protection as required under the State Constitution.

Your Committee on Agriculture is in accord with the intent and purpose of H.B. No. 425, as amended herein, and recommends that it be recommitted to the Committee on Agriculture, for the purpose of holding a public hearing thereon, in the form attached hereto as H.B. No. 425, H.D. 1.

Signed by all members of the Committee except Representatives Ishii-Morikami and Tam.

**SCRep. 44-94                    Tourism on H.B. No. 2411**

The purpose of this bill is to appropriate funds to the Department of Business, Economic Development and Tourism for promotion of the Honolulu Marathon.

Your Committee received testimony in support of this bill from the Department of Business, Economic Development and Tourism, Outrigger Hotels, and the Hawaii Hotel Association.

Your Committee finds that the event generates considerable economic benefit to Hawaii and also gives Hawaii tremendous television exposure that promotes Hawaii as a visitor destination.

Your Committee revised the bill by:

- (1) Changing the appropriation amount to \$1 for the purpose of continuing discussion of the bill; and
- (2) Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2411, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2411, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

**SCRep. 45-94                    Tourism on H.B. No. 2333**

The purpose of this bill is to extend the life of the Convention Center Authority from 1995 to 1996 and provide an unspecified amount of funds for its operation.

Your Committee received testimony in support of this bill from the Convention Center Authority, the Hawaii Visitors Bureau, the Hawaii Hotel Association, and Outrigger Hotels.

Your Committee finds that the Convention Center Authority should have statutory assurance of its existence in order to allow it to enter into construction agreements and to allow it to supervise the construction of the center. Your Committee also finds that, although the term of any bonds issued may exceed the life of the authority, that will not pose any problem.

Your Committee revised the bill by:

- (1) Changing the expiration date from 1996 to 1998;
- (2) Changing the appropriation amount to \$1 for the purpose of continuing discussion of the bill;
- (3) Providing that section 1 will take effect upon approval and sections 2 and 3 will take effect on July 1, 1994; and
- (4) Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2333, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2333, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

**SCRep. 46-94                    Tourism on H.B. No. 2405**

The purpose of this bill is to appropriate funds to the Department of Business, Economic Development and Tourism for support of the Aloha Festivals.

Your Committee received testimony in support of this bill from Aloha Festivals, the Hawaii Hotel Association, Honolulu Publishing Co., and Aloha Tower Associates and comments from the Department of Business, Economic Development and Tourism.

Your Committee finds that the Aloha Festivals Floral Parade is ranked number 3 in the nation, after the Pasadena Tournament of Roses and the Portland Rose Festival, made all the more amazing when one considers the Aloha Festivals' small budget and almost complete reliance on volunteers.

Your Committee revised the bill by:

- (1) Changing the appropriation amount to \$1 for the purpose of continuing discussion of the bill; and
- (2) Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2405, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2405, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

**SCRep. 47-94                    Tourism on H.B. No. 2406**

The purpose of this bill is to appropriate funds to the Department of Business, Economic Development and Tourism for the Bud Light Ironman Triathlon World Championship.

Your Committee received testimony in support of this bill from the Department of Business, Economic Development and Tourism, the Hawaii Hotel Association, and Outrigger Hotels.

Your Committee finds that this event, seeking state funding for the first time, generates considerable economic benefit to Hawaii and also gives Hawaii tremendous television exposure that promotes Hawaii as a visitor destination.

Your Committee revised the bill by:

- (1) Changing the appropriation amount to \$1 for the purpose of continuing discussion of the bill; and
- (2) Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2406, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2406, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

**SCRep. 48-94                    Tourism on H.B. No. 2407**

The purpose of this bill is to appropriate funds to the Department of Business, Economic Development and Tourism for the Hawaii Pro Bowl.

Your Committee received testimony in support of this bill from the Department of Business, Economic Development and Tourism, the Hawaii Hotel Association and Outrigger Hotels.

Your Committee finds that the event generates considerable economic benefit to Hawaii and also gives Hawaii tremendous television exposure that promotes Hawaii as a visitor destination.

Your Committee revised the bill by:

- (1) Changing the appropriation amount to \$1 for the purpose of continuing discussion of the bill; and
- (2) Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2407, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2407, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

**SCRep. 49-94                    Tourism on H.B. No. 2413**

The purpose of this bill is to appropriate funds to the Department of Business, Economic Development and Tourism for the Hawaii International Film Festival.

Your Committee received testimony in support of this bill from the Hawaii International Film Festival and comments on this bill from the Department of Business, Economic Development and Tourism.

Your Committee finds that the event generates considerable economic benefit to Hawaii and also gives Hawaii tremendous media exposure that promotes Hawaii as a visitor destination.

Your Committee revised the bill by:

- (1) Changing the appropriation amount to \$1 for the purpose of continuing discussion of the bill; and
- (2) Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2413, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2413, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

**SCRep. 50-94                    Tourism on H.B. No. 2414**

The purpose of this bill is to appropriate funds to the Department of Business, Economic Development and Tourism for Destination Hilo.

Your Committee received testimony in support of this bill from Destination Hilo.

Your Committee finds that Destination Hilo fulfills an important role in stimulating the economy in an area undergoing great financial difficulties.

Your Committee revised the bill by:

- (1) Changing the appropriation amount to \$1 for the purpose of continuing discussion of the bill; and
- (2) Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2414, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2414, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

**SCRep. 51-94                    Tourism on H.B. No. 2332**

The purpose of this bill is to require the Convention Center Authority to develop a marketing program for the convention center.

Your Committee received testimony in support of this bill from the Convention Center Authority, the Hawaii Visitors Bureau, the Hawaii Hotel Association, the Chamber of Commerce, and SMS Research.

Your Committee finds that most convention organizers book their functions many years in advance and that the period during which the center is under construction will serve as an ideal time to build up awareness of the center among potential customers. This will require timely action, and your Committee finds that the Convention Center Authority is the appropriate agency to undertake it. As in other jurisdictions, the operator of the convention center should hold the ultimate responsibility for all aspects of the center, including marketing, although they may contract that function to other organizations.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2332 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.  
(Representative Ishii-Morikami voted no.)

**SCRep. 52-94            Tourism on H.B. No. 2408**

The purpose of this bill is to appropriate funds to the Department of Business, Economic Development and Tourism to promote the 1995 Aloha Bowl.

Your Committee received testimony in support of this bill from the Department of Business, Economic Development and Tourism, the Hawaii Hotel Association, Outrigger Hotels, and Aloha Bowl Charities.

Your Committee finds that the event generates considerable economic benefit to Hawaii and also gives Hawaii tremendous television exposure that promotes Hawaii as a visitor destination.

Your Committee revised the bill by:

- (1) Changing the appropriation amount to \$1 for the purpose of continuing discussion of the bill;
- (2) Adding an equal matching funds requirement; and
- (3) Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2408, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2408, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

**SCRep. 53-94            Tourism on H.B. No. 2409**

The purpose of this bill is to appropriate funds to the Department of Business, Economic Development and Tourism to promote the Hula Bowl.

Your Committee received testimony in support of this bill from the Department of Business, Economic Development and Tourism, the Hawaii Hotel Association, and Outrigger Hotels.

Your Committee finds that the event generates considerable economic benefit to Hawaii and also gives Hawaii tremendous television exposure that promotes Hawaii as a visitor destination.

Your Committee revised the bill by:

- (1) Changing the appropriation amount to \$1 for the purpose of continuing discussion of the bill;
- (2) Adding an equal matching funds requirement; and
- (3) Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2409, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2409, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

**SCRep. 54-94            Tourism on H.B. No. 2410**

The purpose of this bill is to appropriate funds to the Department of Business, Economic Development and Tourism to promote the Great Aloha Run.

Your Committee received testimony in support of this bill from the Department of Business, Economic Development and Tourism, Outrigger Hotels, and the Hawaii Hotel Association.

Your Committee finds that the event generates considerable economic and recreational benefit to Hawaii.

Your Committee revised the bill by:

- (1) Changing the appropriation amount to \$1 for the purpose of continuing discussion of the bill;
- (2) Adding an equal matching funds requirement; and
- (3) Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2410, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2410, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

**SCRep. 55-94            Tourism on H.B. No. 2274**

The purpose of this bill is to require that a written, annual report be submitted to the Office of Tourism, the Department of Business, Economic Development and Tourism, and the Legislature by the Hawaii Visitors Bureau or any other visitor industry organization contracted by the office to perform promotions, marketing, and development.

Your Committee received testimony in support of this bill from the Department of Business, Economic Development and Tourism, and the Hawaii Visitors Bureau.

Your Committee finds that the annual written report required by the bill would increase the effectiveness of the office, the department, and the Legislature in their supervision of tourism promotion expenditures.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2274 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

**SCRep. 56-94            Tourism on H.B. No. 2334**

The purpose of this bill is to direct the Hawaii Tourism Marketing Council, in its review of the biennial tourism marketing plan, to consider market segmentation and long-range targeting factors.

Your Committee finds that state marketing efforts have already been moving toward this direction. Visitor responses as well as detailed demographic information regarding visitors travels will allow more efficient use of promotion dollars and will also allow for greater accuracy in evaluating marketing campaigns.

Your Committee received testimony in support of this bill from the Department of Business, Economic Development, and Tourism and the Chamber of Commerce.

Your Committee revised the bill by:

- (1) Moving the provision on market segmentation and long-range targeting to more accurately reflect the fact that they are only a few of the many aspects of the biennial tourism marketing plan; and
- (2) Making technical, non-substantive changes for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2334, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2334, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

**SCRep. 57-94            Energy and Environmental Protection on H.B. No. 2173**

The purposes of this bill as received by your Committee are to:

- (1) Require an environmental assessment for actions that propose any use:
  - (A) Within the Special Management Area (SMA) as defined in Section 205A-22, Hawaii Revised Statutes (HRS); and
  - (B) That may adversely affect areas designated as critical habitats pursuant to the Endangered Species Act of 1973 (P.L. 93-205), as amended;
- (2) Clarify that proposed construction of new helicopter facilities would require an environmental assessment; and
- (3) Require the Environmental Council (Council) to promulgate necessary rules to assist the Office of Environmental Quality Control (Office) in:
  - (A) Publishing and periodically updating a guidebook for those who prepare and review Environmental Impact Statements (EIS); and
  - (B) Encouraging increased public participation in the EIS process.

The proposed amendments to the HRS contained in this bill were included in H.B. No. 2391, which was passed by the Sixteenth Legislature, but vetoed by Governor Waihee. The substantive objections on which the Governor based his veto did not relate to the amendments proposed in this bill.

The proposed "triggering" criteria for preparation of an environmental assessment were derived from recommendations contained in the Environmental Center's (Center) 1992 analysis and report on the State EIS system. These criteria thus

express a consensus derived from a broad cross section of government, business, and advocacy group participants in the Center's survey.

By way of a brief background, "special management area" refers to land extending inland from the shoreline as delineated on maps on file with the appropriate county agency. These areas frequently provide the land base for potential tourism, growth, economic development, increased population density, and recreational needs. Recognizing that such uses may result in impacts to coastal areas, the Legislature enacted the Shoreline Protection Act of 1975 (later becoming the Coastal Zone Management Act, Chapter 205A, HRS). Chapter 205A, HRS, vests responsibility for a particular SMA with the respective county government the area is situated in. County governments have various processes to address environmental concerns in the SMA. While some of these processes are patterned after the State EIS process, the counties' processes remain distinct from the State's. Although documentation requirements for actions in the SMA presently exist at the county level, these requirements are inconsistent between counties, leading to confusion in the development process that seeks to use SMA resources. The State's EIS process provides for justification for use of irreplaceable resources, as well as examination of mitigation measures to reduce the effects of negative impacts. Consistent application of the EIS provisions is appropriate in the protection of SMAs as a statewide resource. The proposed requirements contained in this bill would standardize and make consistent, the process to address environmental concerns in the SMA.

With respect to the "triggering" criteria for actions that may affect areas designated as critical habitats pursuant to the Endangered Species Act of 1973, as amended, both State and federal statutes recognize the importance of protecting endangered or threatened species, therefore, assessment of potential impacts to areas designated as critical habitat for a threatened or endangered species' recovery is both appropriate and reasonable. The proposed requirements contained in this bill would provide for the protection of the habitats of these species.

The Office and the Center concur that the proposal to require the Council to promulgate rules to assist the Office in publishing and updating an EIS guidebook, and encourage increased public participation in the EIS process would more appropriately be incorporated into Section 341-4, HRS, which enumerates some of the powers and duties of the Director of Environmental Quality Control, instead of Section 343-6, HRS, as this bill is presently drafted.

The Center also testified that given the sensitivity of endangered or threatened species, any impact whatsoever to the species' habitat may prove adverse, therefore, the Center recommended that "adversely" be deleted from the language in this bill so that any proposed use of critical habitats would "trigger" an environmental assessment, and not just those that may "adversely" affect those areas.

The Department of Land and Natural Resources submitted testimony in support of this bill, provided that appropriate additional resources are provided to implement the law.

The Land Use Research Foundation (LURF) of Hawaii submitted testimony that supported the proposals that would better educate those who work in the EIS system, as well as the general public, but LURF opposes the addition of any new "triggers" to the EIS process.

The Sierra Club, Hawaii Chapter, submitted testimony in support of this bill.

After free and open discussion, your Committee has amended this bill by:

- (1) Deleting "adversely" from the language that proposes to require an environmental assessment to actions that may affect critical habitats, pursuant to the Center's testimony; and
- (2) Removing the language that proposes to require the Council to assist the Office in publishing the EIS guidebook and encouraging increased public participation in the EIS process, from Section 343-6, HRS, and incorporating this language into Section 341-4, HRS, pursuant to the Office's and Center's testimony.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2173, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2173, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hirono, Nekoba and Takamine.

**SCRep. 58-94 Water and Land Use Planning on H.B. No. 3107**

The purpose of this Act is to require the disposition of public lands to be subject to prior approval of the Governor and authorization by the Legislature.

H.B. 3107 was introduced as a short-form bill, which is sometime referred to as a "vehicle" bill primarily used to introduce a bill containing only a general idea as to the purpose of the bill without specific details in long form. Your Committee has amended the bill to provide the substantive contents of the bill in long form so that public hearing may be properly held on its substantive contents.

As affirmed by the record of votes of the members of your Committee on Water and Land Use Planning that is attached to this report, your Committee is in accord with the action to report out H.B. No. 3107, as amended herein, and recommends that it be recommitted to the Committee on Water and Land Use Planning, for the purpose of holding a public hearing thereon, in the form attached hereto as H.B. No. 3107, H.D. 1.

Signed by all members of the Committee except Representatives Kanoho and Tajiri.

**SCRep. 59-94 Human Services and Health on H.B. No. 2401**

The purpose of this bill is to provide funds for a training program which will provide family caregiver's of older adults with basic knowledge and skills to maintain the frail older adult in the home.

Testimony from the Executive Office on Aging, The Chamber of Commerce of Hawaii, Kokua Council for Senior Citizens, and two individuals was received in strong support for this measure.

It is noted that many caregivers often become seriously ill, die, or prematurely institutionalize their loved ones because they are exhausted and cannot provide the quality of care the care receiver needs. Most family caregivers are unprepared for their role and must learn by experience, often enduring crises which impact emotionally, physically, socially, and financially on both the caregiver and the care receiver.

Upon further consideration, your Committees have amended this bill by:

- (1) adding, "and hands-on demonstrations." to line seven;
- (2) changing the expending agency from the University of Hawaii to the Executive Office on Aging; and
- (3) appropriating one dollar for the purposes of further discussion.

As affirmed by the records of votes of the members of your Committees on Human Services and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2401, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2401, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representative Peters.

**SCRep. 60-94 Human Services on H.B. No. 2808**

The purpose of this bill is to appropriate excess funds derived from the Disability Benefits Special Fund to support HMS 601-Community Long-Term Care Programs in the Department of Human Services.

Testimony from the American Association of Retired Persons and Community Elder Abuse and Neglect Task Force was received in strong support of this measure.

The Department of Human Services is unable to support this measure because the additional funds would exceed the executive budget. They also deferred this matter to the Department of Labor and Industrial Relations.

It is noted that excess monies from the Disability Benefits Special Fund will be transferred to the General Fund at the close of any fiscal year. It is the intent of the Committee to then have these excess funds allocated to programs assisting disabled persons, in particular, for the provision of in-home and community-based social, health, and other supportive services to the elderly and disabled.

Upon further consideration, your Committee has amended this bill by appropriating one dollar for the purposes of further discussion.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2808, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2808, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Peters and White.

**SCRep. 61-94 Human Services on H.B. No. 2654**

The purpose of this bill is to appropriate moneys for the implementation of a revised payment schedule recommended by the Legislative Auditor.

Testimony from the Kokua Council for Senior Citizens, Hawaii Long Term Care Association, United Group of Home Operators, and three individuals was received in strong support of this measure.

The Department of Health has deferred this matter to the Department of Human Services, since administrative responsibility for payment under Title 17, Chapter 831, falls under the Department of Human Services. The Department of Human Services regrets that it is unable to support funding which exceeds or conflicts with the Executive Supplemental Budget.

It is noted that, although the number of developmentally disabled being served at Waimano Home fell from 1,200 to less than 100 patients in recent years, approximately \$12 million is still appropriated in the Waimano Home budget. The Committee had concerns that funding was not being diverted appropriately to community-based and home-based services. It is also noted that care received through adult residential care homes costs a patient \$12,000 per year. When compared with costs ranging from \$50,000-\$60,000 per patient, per year for care in a nursing home and \$120,000 per patient, per year at Waimano Home, the State benefits greatly by the service provided by adult residential care home providers.

Upon further consideration, your Committee has amended this bill by appropriating one dollar for the purposes of further discussion.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2654, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2654, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Peters and White.

**SCRep. 62-94            Human Services on H.B. No. 3157**

The purpose of this bill is amend Chapter 346D, HRS eliminating the requirement for an annual report by the Community Long Term Care Branch/Nursing Home Without Walls.

Testimony from the Department of Human Services was received in support of this measure.

It is noted that this program is now an integral part of the department's Health Care Division's services and will include information on the Nursing Home Without Walls Program in the overall departmental Annual Report.

Your Committee is in full support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3157 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Peters and White.

**SCRep. 63-94            Human Services on H.B. No. 2814**

The purpose of this bill is to support family caregivers by providing grants for the expansion of respite care services for the elderly.

Testimony from the Executive Office on Aging, National Association of Retired Federal Employees, Catholic Services to the Elderly, Child & Family Service, Kokua Council for Senior Citizens, Hawaii Long Term Care Association, Chamber of Commerce of Hawaii, Hawaii Four-Aging, and an individual was received in support of this measure.

It is noted by your Committee that respite services to family caregivers is critical to the health and well-being of elders being cared for and the caregivers themselves. Without adequate respite services for caregivers, the end result could be abuse and neglect or institutionalization of the elder family member. This measure is a preventive type of legislation to avoid the abuse and burnout caregivers incur.

Your Committee is in full support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2814 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Peters and White.

**SCRep. 64-94            Water and Land Use Planning on H.B. No. 3175**

The purpose of the bill is to establish a trail and access special fund within the Department of Land and Natural Resources to deposit public and private moneys to be expended on the management, maintenance, and development of trails and accesses under the Na Ala Hele program.

Your Committee received testimonies in support of this measure from the Department of Land and Natural Resources and the Sierra Club, Hawaii Chapter.

As affirmed by the record of votes of the members of your Committee on Water and Land Use Planning that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3175 and recommends that it pass Second Reading and be referred to the Committee on Transportation.

Signed by all members of the Committee except Representatives Kanohe and Tajiri.

**SCRep. 65-94            Human Services on H.B. No. 3750**

The purpose of the bill is to require the Department of Transportation to grant the sundry shop concession at the Honolulu International Airport to a nonprofit corporation.

Testimony from the Chairman of the Board and the President of Makaala Inc. and two individuals was received in strong support of this measure. Furutani, Sato, & Komatsubara, Attorneys-At-Law, submitted testimony opposing this measure.

Upon further consideration, your Committee has amended this bill by deleting the substantive portion of this bill. This bill now requires a 10% preference in the case of bids for concessions submitted by nonprofit organizations serving the disabled. The preference would not be restricted to airport concessions.

It is noted that your Committee acknowledges the economic hardship being experienced by Makaala and other organizations assisting disabled persons, because there is very limited employment opportunities in our state for disabled persons. Your Committee hopes this legislation will advance social policy that will encourage disabled persons to operate and be employed in private enterprise within government facilities and set a good example for the private sector to actively employ disabled persons throughout the State.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3750, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3750, H.D. 1, and be referred to the Committees on Transportation and Labor and Public Employment.

Signed by all members of the Committee except Representative Peters.

**SCRep. 66-94 Human Services on H.B. No. 3455**

The purpose of this bill is to establish a Hawaii Long-Term Care Trust Fund. The bill would:

- (1) establish a long-term care financing mechanism that acknowledges and builds upon the spirit of Hawaii's long-standing Prepaid Health Care example and the recognition of the need for national health care reform;
- (2) recognize the desire of families to have a choice in the selection of their care providers, and it supports public-private partnerships which can ensure the availability of an array of essential services and full protection for long-term care, regardless of a participant's health status;
- (3) become fully effective in conjunction with federal legislation for national health care system reform;
- (4) provide that the fund shall be headed by an uncompensated interim board of trustees responsible for determining a financing plan for the coverage of comprehensive long-term care benefits that is coordinated and complementary with provisions of any federal health care system reform legislation that may be passed and is in the best interest of residents of this state; and
- (5) place the State of Hawaii in an advantageous negotiating position in essential discussions with pertinent federal agencies.

Testimony from the Executive Office on Aging, Department of Health, seventeen other agencies and fourteen individuals was received in overwhelmingly strong support for this measure.

Testimony from UNUM Life Insurance, Long Term Care Hawaii, State Association of Life Underwriters, Chamber of Commerce of Hawaii, Health Insurance Association of America, Small Business Hawaii, and two individuals was received in opposition to this measure.

It is noted that your Committee would like to see a voluntary advisory board established to work with the interim board of trustees. It is vital that health care providers, consumer groups, businesses, and insurance companies play an integral role in developing the recommendations for long-term care legislation to be proposed to the 1995 Legislature. Your Committee also requests that the Committees on Consumer Protection and Commerce, Judiciary, and Finance consider an educational outreach component to go hand-in-hand with this legislation to better inform residents of Hawaii about what long-term care is and is not and the compelling reasons for taking immediate action on long-term care issues.

Your Committee is in full support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3455 and recommends that it pass Second Reading and be referred to the Committees on Consumer Protection and Commerce and Judiciary.

Signed by all members of the Committee except Representatives Peters and White.

**SCRep. 67-94 Human Services on H.B. No. 2934**

The purpose of this bill is to increase funding for the crisis intervention project for the elderly which would expand services island-wide, seven days a week.

Testimony from the Executive Office on Aging, City & County of Honolulu Department of Human Resources, American Association of Retired Persons, Caregiver to Caregiver, Crisis & Short Term Intervention Program, Community Elder Abuse & Neglect Task Force, Child & Family Service, Chamber of Commerce of Hawaii, and an individual was received in strong support of this measure.

It is noted that the crisis intervention project is of vital importance to the mental health and physical well-being of caregivers and provides:

- (1) quick response, same day intervention when needed;
- (2) experienced social work and nursing staff who are skilled in making quick assessments in critical situations;
- (3) nurse aides who are available for immediate assistance with personal care and respite; and
- (4) weekend coverage via a staff LPN who can assess, provide personal care and/or respite.

Your Committee is in full support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2934 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Peters and White.

**SCRep. 68-94 Human Services on H.B. No. 3365**

The purpose of this bill is to add a new chapter to the Hawaii Revised Statutes. The bill would:

- (1) create a new regulatory and licensing program for social workers;
- (2) create a simple licensure structure, requiring only one level to be licensed upon proof of education and examination. Renewal is also simplified with simple payment of fees;
- (3) ensure that no "grandfathering" is allowed; and
- (4) provide appropriations to implement this licensing program.

Testimony from the Department of Health, Department of Commerce & Consumer Affairs, National Association of Social Workers, UH School of Social Work, ten agencies, and three individuals was received in support of this measure.

Testimony from an individual was received in opposition to this measure. The individual felt that HB 3365 did not address any of the concerns he raised and preferred legislation that was introduced last session relating to social workers.

Upon further consideration, your Committee has amended this bill by:

- (1) deleting, "and education" on page 2, line 17;
- (2) adding, "consisting of licensed social workers" to page 4, line 2;
- (3) redefining the "Licensing requirements" in section -8, subsection (1) in the bill to read as follows:

"The applicant holds a master's degree from an accredited college or university in a social work program accredited by the Council on Social Work Education or a doctoral degree accredited by the Western Association of Schools and Colleges or a comparable regional accreditation body; and";

- (4) deleting, "physical disability," on page 8, line 14; and
- (5) appropriating one dollar for the purposes of further discussion.

It is noted by your Committee that the requirement for licensure of social workers would afford consumers a wider range of service choices that assures quality of care and promotes a competitive spirit to upgrade the overall provision of services. It also provides the consumers a recourse for unethical and harmful practice.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3365, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3365, H.D. 1, and be referred to the Committees on Consumer Protection and Commerce and Judiciary.

Signed by all members of the Committee except Representatives Peters and Tanimoto.

**SCRep. 69-94 Ocean Recreation and Marine Resources on H.B. No. 2169**

The purpose of this bill is to amend Section 188-29(a), Hawaii Revised Statutes, to make an additional exception to its provisions.

Your Committee on Ocean Recreation and Marine Resources is aware that it is unlawful for any person, with specified exceptions, to use nets made of or using netting, or bullpen traps with a stretched mesh of less than two inches. Under the present law, the use of fine mesh scoop nets is not permitted, thus depriving children from using such nets in tidepools and along the shore. Your Committee finds that if limitations are placed on the size of nets to be used, the quantities of

aquatic life which may be taken, and purposes for such activity that there will be no significant adverse effects on the ocean's environment.

Your Committee heard supportive testimony from the Department of Land and Natural Resources.

This bill proposes to grant an exception to all persons using hand nets or scoop nets to take not more than a combined total of five fish or other aquatic life per person per day, for noncommercial purposes only, provided that the net, including any handle and other attachment thereto, shall not exceed three feet in any dimension.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2169 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Tajiri and Thielen.

**SCRep. 70-94 Ocean Recreation and Marine Resources on H.B. No. 3091**

The purpose of this bill is to appropriate planning funds for the Kalakaua Marine Education Center's Puako Field Station.

Your Committee on Ocean Recreation and Marine Resources finds that the University of Hawaii, Hilo Campus, Hawaii, desires to enhance its curriculum by having a Marine Education Center Field Station, and that plans must be developed in order to comply with the County's permitting requirements to build this facility. This bill appropriates the sum of \$50,000 for the preparation of these plans.

Your Committee further finds that valid justifications for this appropriation for the Puako Marine Science Field Station include the following benefits:

- (1) It will provide facilities for improving undergraduate marine science education at the University of Hawaii, Hilo;
- (2) It will enable local environmental monitoring of the Puako Reef, the largest such reef system in West Hawaii;
- (3) It will be an asset in training teachers and future technicians in the growing marine science industry; and
- (4) It will help educate visitors and residents with respect to preserving the ocean's resources.

Supportive testimonies were heard from the University of Hawaii Sea Grant Extension Service, West Hawaii; the Kalakaua Marine Education Center, University of Hawaii, Hilo; The Ocean Recreation Council of Hawaii; Citizens for Protection of the North Kohala Coastline; Hawaii Island Environmental Council; AECOS Laboratory of Hawaii; Natural History and Marine Life Study Tours; Custom Painting of Hawaii; Oceans of Hawaii; and the Kawaihae Boating Association. There were no opposing testimonies.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3091 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Tajiri and Thielen.

**SCRep. 71-94 Ocean Recreation and Marine Resources on H.B. No. 3446**

The purpose of this bill is to amend Chapter 188, Hawaii Revised Statutes, by adding a new section providing for the designation of native Hawaiian subsistence fishing areas.

Your Committee on Ocean Recreation and Marine Resources finds that there is no authority for the Department of Land and Natural Resources to create and manage native Hawaiian subsistence fishing areas. Your Committee agrees that the protection and preservation of fishing areas utilized for subsistence purposes by rural Hawaiian communities deserve consideration.

This bill authorizes the Department of Land and Natural Resources to designate native Hawaiian subsistence fishing areas. Proposals for requesting areas for native Hawaiian subsistence fishing shall include a description of the location, justification for designating the area, and a management plan. Administrative rules will be adopted by the Department for protecting and conserving aquatic resources nearshore for subsistence use.

Testimony in support of this proposed measure was heard from the Department of Land and Natural Resources. Testimony in opposition was voiced by a citizen who felt that the waters and beaches of Hawaii should be open and free for whomsoever may wish to use them, and not be restricted in some instances to persons from a particular ancestry.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3446 and recommends that it pass Second Reading and be referred to the Committee on Hawaiian Affairs.

Signed by all members of the Committee except Representatives Tajiri and Thielen.

**SCRep. 72-94 Ocean Recreation and Marine Resources on H.B. No. 3171**

The purpose of this bill is to amend Section 200-14, Hawaii Revised Statutes, by amending Subsection (a), to reduce fines for violations of Hawaii Administrative Rules relating to small boat harbors and ocean recreation management areas, and by adding Subsection (b), relating to violations involving the discharge of petroleum products, hazardous materials and sewage into the State's waters.

Your Committee on Ocean Recreation and Marine Resources finds that fines of \$10,000 for violations of Administrative Rules relating to small boat harbors and recreation management areas were felt to be excessive when public hearings were held. Your Committee further finds that maximum fines of \$10,000 were not unreasonable when relating to discharges of petroleum products, hazardous wastes, and sewage.

This bill proposes to reduce the penalties for persons who violate rules relating to small boat harbors and ocean recreation management areas from fines of \$10,000 for each offense to \$2,000 for each violation, and any vessel, the agents, owner, or crew of which violate the rules of the Department from \$10,000 to \$2,000 for each violation.

Subsection (b) establishes a fine of \$10,000 for each day of violation for any person who violates any rule relating to unauthorized discharge, dumping, or abandoning, in any state boating facility or state waters, of any petroleum product, hazardous material, or sewage in violation of state water quality standards established by the Department of Health. Any vessel, the agents, owner, or crew of which violate such rules of the Department are subject to the same penalties.

Testimonies in favor of this bill were heard from the Department of Land and Natural Resources, The Ocean Recreation Council of Hawaii, and an acknowledged boater.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3171 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Tajiri and Thielen.

**SCRep. 73-94 Water and Land Use Planning on H.B. No. 2918**

The purpose of this bill is to provide a mechanism to fund irrigation projects by establishing the irrigation water development special fund, and clarifying statutes authorizing expenditures from the irrigation system revolving fund.

Your Committee finds that with the pending closure of sugar companies within our State, the acquisition of their current irrigation system is essential to provide and preserve water resources for future use.

Your Committee received testimonies in support of this measure from the Board of Agriculture and the Board of Water Supply.

As affirmed by the record of votes of the members of your Committee on Water and Land Use Planning that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2918 and recommends that it pass Second Reading and be referred to the Committee on Agriculture.

Signed by all members of the Committee except Representatives Kanoho and Tajiri.

**SCRep. 74-94 Agriculture on H.B. No. 3009**

The purposes of this bill are to:

- (1) Direct the State Auditor (Auditor) to perform a comprehensive program, management, and financial audit of the University of Hawaii (UH) College of Tropical Agriculture and Human Resources (CTAHR); and
- (2) Require the Auditor to submit a report containing the findings and recommendations of the audit to the Legislature 20 days before the convening of the 1995 Regular Session.

Your Committee received written comments from CTAHR. In its testimony, CTAHR indicated that the UH President has just commenced a review of all of UH Manoa's colleges and institutes. However, your Committee believes that a comprehensive program, management, and financial audit of CTAHR would assist in determining whether the goals and expectations of CTAHR have been fulfilled and would also help to ensure the effective use of public funds.

Upon further consideration, your Committee has amended the bill by:

- (1) Including an appropriation sum of \$100,000 to be expended by the Office of the Auditor for the purposes contained in the bill;
- (2) Clarifying that the Auditor shall submit a report not fewer than 20 days prior to the convening of the 1995 Regular Session, rather than 20 days before the session; and
- (3) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3009, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3009, H.D. 1, and be referred to the Committee on Higher Education and the Arts.

Signed by all members of the Committee.

**SCRep. 75-94                    Agriculture on H.B. No. 2621**

The purpose of this bill is to appropriate funds to conduct biomass research for energy and alternate uses.

Your Committee recognizes that biomass has been an important source of fuel for generating electricity in the State, particularly on the Neighbor Islands. In light of the closure and impending closure of several sugar companies statewide, biomass energy, in the form of sugarcane bagasse, faces a decrease in production.

Therefore, it is essential that biomass research continues in other areas, such as in forestry and wood products. In particular, tree farming to produce woodchips for fiberboard products and paper pulp show considerable promise. Your Committee recognizes that the Eucalyptus Plantations for Energy Production program and the Biomass-to-Energy Research Facilities program are two examples of biomass research being conducted in the State.

Testimony in support of the bill was received from the County of Hawaii, the University of Hawaii College of Tropical Agriculture and Human Resources, the Hawaiian Sugar Planters' Association, the Hawaii Island Economic Development Board, and the vice president and manager of BioEnergy Development Corporation. Your Committee also received supporting testimony from the Governor's Agriculture Coordinating Committee, provided that the appropriation in the bill does not replace the Committee's current priorities in the Executive Biennium Budget. The Department of Business, Economic Development, and Tourism testified in support of the intent of the bill.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2621 and recommends that it pass Second Reading and be referred to the Committee on Energy and Environmental Protection.

Signed by all members of the Committee except Representative Tam.

**SCRep. 76-94                    Agriculture on H.B. No. 2876**

The purpose of this bill is to extend the sunset date of Act 237, from July 1, 1994, to July 1, 1995.

This bill would extend to July 1, 1995, the period in which the Department of Land and Natural Resources (DLNR) may negotiate and enter into leases of 15 to 35 years with qualifying permittees who hold agricultural, or residential and home gardening revocable permits on state lands, issued in accordance with Section 171-55, Hawaii Revised Statutes.

Your Committee received testimony from the DLNR, which indicated that it has no objections to extending the sunset date and has all intentions of complying with the current July 1, 1994, sunset date by executing and issuing the appropriate general leases to qualified permittees.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2876 and recommends that it pass Second Reading and be referred to the Committee on Water and Land Use Planning.

Signed by all members of the Committee except Representatives Tam.

**SCRep. 77-94                    Health and Human Services on H.B. No. 3042**

The purpose of this bill is to further additional AIDS related prevention and treatment services, with particular emphasis on the needs of adolescents. These funds would be used to enhance case management, counseling, educational services, needle exchange, and training for in-home services.

Your Committees recognize the need for additional support for these HIV/AIDS services, and as the number of HIV infected people increase tragically, we realize that we must provide a wider forum in which to educate the adolescent and young adult population.

Your Committees received testimony in favor of this measure from the State Department of Health, however they cannot support an appropriation at this time, given the state's fiscal concerns. Other departments and organizations in strong support of this bill included, the Governor's Committee on HIV/AIDS, the Department of Health, STD/AIDS Prevention Branch, the Hawaii Nurses' Association, the Kapiolani Medical Center, the Maui AIDS Foundation, the People With Aids Coalition, the Hemophilia Foundation of Hawaii, the Big Island AIDS Project, and many other individuals representing themselves independently as well as on behalf of their affiliated organizations.

Your Committees have amended the bill by:

- (1)            Appropriating the sum of \$10 for the purposes of continued discussion.

However, your Committees would like to note that testimonies received indicated that \$51,000 in additional funding would be necessary in order to continue the C.H.O.W. Project.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 3042, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 3042, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Arakaki and Peters.

**SCRep. 78-94                    Health on H.B. No. 2925**

The purpose of this bill is to repeal the sunset provision of the Hawaii Prepaid Health Care Act.

Support for this measure was received from the Department of Health, the State Health Planning and Development Agency, the Big Island Health Planning Committee, the Department of Labor and Industrial Relations, the Hawaii Medical Association, the Hawaii Nurses Association, the Hemophilia Foundation, HMSA, along with a number of other concerned groups and various members of the public.

Your Committee is well aware that national health care reform efforts are well underway and that the implications of national reform on Hawaii's health care system must be carefully considered. Although it is the intent of your Committee to support the reform efforts of national health care, it is felt that Hawaii should remain at the forefront of change and that every opportunity should be taken to ensure as much flexibility as possible in maintaining our quality health care system.

After careful consideration, your Committee has amended this measure by changing the stipulations under which this Act will take effect.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2925, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2925, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Arakaki.

**SCRep. 79-94                    Health on H.B. No. 2926**

The purpose of this bill is to appropriate monies for respite care services to families with a member who is an infant or toddler of three years or less with developmental delay, a person with serious mental illness or emotional disturbances, a child with a serious or terminal illness, or a person with developmental disabilities.

Testimonies in support of this measure were received from the State Planning Council on Developmental Disabilities, the Commission on Persons with Disabilities, the Governor's Committee on HIV/AIDS, Imua Rehab, the Mental Health Association in Hawaii, the Autism Society of Hawaii, along with a myriad of other individuals and organizations. The State Department of Health testified that they were in support of the intent of this measure but that they could not support any further appropriations.

Your Committee notes that there is a critical need for respite care services for families of persons with disabilities. Further, your Committee recognizes that respite care services for such families is an important resource in reducing the risk of families' financial burdens, emotional stress, and instability. Your Committee also realizes that families can be utilized as major providers of support, care, and training for family members with illnesses or disabilities and that this care, which occurs in the confines and comforts of the home presents a much more dignified, acceptable, and cost effective alternative to the financial challenges and harshness that institutionalization dictates.

However, it was noted by your Committee that several groups of people with disabilities were not eligible for respite care services under the current law.

Therefore, after further consideration, your Committee has amended this bill by:

- (1) Adding language to include two more classifications of persons who would be eligible for respite care services
- (2) Adding a section that would require the Department of Health to adopt rules regarding eligibility and frequency of respite care services
- (3) Appropriating the sum of \$1 for the purposes of further discussion
- (4) Other technical non-substantive amendments were made for the purposes of clarity and style

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2926, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2926, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Arakaki.

**SCRep. 80-94 Health on H.B. No. 2927**

The purpose of this bill is to provide funding for the expansion of the System of Care Project to five additional school complexes.

Your Committee is concerned with the mental health of adolescents and young adults and believe that with early intervention and preventative services, children and teenagers can overcome significant emotional problems and move towards greater success at school, on the job, and in the community.

Your Committee received testimony from the State Department of Health supporting the intent of this bill, however they did not support funding this year in view of the current fiscal situation facing the State. Other supportive testimonies were received from the Maui County Council, the Superintendent of the Department of Education, and other organizations and individuals.

After careful consideration, your Committee has amended this bill by appropriating the amount of \$1 for the purposes of further discussion.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2927, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2927, H.D. 1, and be referred to the Committee on Education.

Signed by all members of the Committee except Representative Arakaki.

**SCRep. 81-94 Health on H.B. No. 3637**

The purpose of this bill is to authorize the Department of Health to convert to permanent status trained and qualified incumbents in Hawaii Women, Infants, and Children (WIC) Program positions authorized for conversion to permanent civil service status by Act 289, Session Laws of Hawaii 1993.

Your Committee recognizes the importance of such an operation as WIC that provides nutritious foods, nutrition education, and breastfeeding promotion for over 24,000 individuals at medical risk. We believe this is a worthwhile program that should be supported by the establishment of permanent, full-time, civil service positions.

Your Committee received wholehearted support from the State Department of Health, the HGEA, and the United Public Workers, AFSCME, Local 646, AFL-CIO.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3637 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki and Tanimoto.

**SCRep. 82-94 Health on H.B. No. 2419**

The purpose of this bill is to permit psychologists to initiate an application to have individuals involuntarily admitted into a licensed psychiatric facility.

Testimonies in support of this bill were received from the Hawaii Psychological Association and the Kokua Council, along with a number of psychologists from the private sector.

The Hawaii Psychiatric Medical Association, the Hawaii Psychiatric Society, the Hawaii Medical Association, and the Hawaii Federation of Physicians and Dentists, as well as a number of physicians and psychiatrists, strongly opposed passage of this bill. These organizations felt that allowing psychologists to admit patients involuntarily would be inappropriate and outside their scope of practice and should only be undertaken by a medical doctor or psychiatrist. The Department of Health, although supportive of increased recognition of psychologists, voiced these same reservations concerning this bill.

It was recognized by your Committee that the use of clinical psychologists, who are qualified through training and experience to perform many of the assessments and interventions included in mental health, would increase the availability of quality healthcare services to the community and improve access to care. However, your Committee also realizes that some aspects of mental health care should be conducted solely by medical doctors or psychiatrists.

Accordingly, your Committee has amended this bill by:

- (1) Amending wording that stipulates what treatments a psychologist may perform and what treatments must be performed by a medical doctor or psychiatrist.
- (2) Including language that allows a psychologist to hospitalize a patient, if they feel it is necessary, after further examination.
- (3) Adding language which includes consultation with an examining psychologist, if applicable, in the discharge of a patient in regards to emergency examination.
- (4) Including language that allows for the hospitalization of persons on an emergency basis for psychologists.

- (5) Amending language that removes psychologists from the discharge process in regards to emergency hospitalization.
- (6) Amending language allowing psychologists to determine whether an individual may be required to receive treatment in a psychiatric facility.
- (7) Other technical non-substantive amendments were made for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2419, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2419, H.D. 1, and be referred to the Committees on Consumer Protection and Commerce and Judiciary.

Signed by all members of the Committee except Representative Tanimoto.

**SCRep. 83-94 Health on H.B. No. 3166**

The purpose of this bill is to repeal the sunset provision of the Hawaii Prepaid Health Care Act upon the enactment of a national health care plan.

Your Committee believes that through the Prepaid Health Care Act, Hawaii has achieved the major goals of national health reform, including: accessibility, stability, and cost-effectiveness. This measure is a necessary step that we must take this legislative session, in order to maintain the quality health care system that Hawaii has already attained and remains committed to.

Your Committee received strong support from the State Department of Health, the Chamber of Commerce of Hawaii, the Department of Labor and Industrial Relations, HMSA, Kaiser Permanente, the Hawaii Nurses' Association, as well as from other individuals and organizations.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3166 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representatives Arakaki and Tanimoto.

**SCRep. 84-94 Energy and Environmental Protection on H.B. No. 2637**

The purpose of this bill as received by your Committee is to expand a successful Waste Diversion Program already implemented by the City and County of Honolulu which is encouraging glass recycling on Oahu.

This bill proposes, in part, to accomplish this by:

- (1) Assessing an "advance disposal" fee on glass containers imported into the State;
- (2) Requiring that the revenues generated from the "advance disposal" fee be deposited into a special account in the Environmental Management Special Fund, to fund county glass recovery programs established in accordance with this bill;
- (3) Requiring all glass container importers conducting business in the State to register with the Department of Health;
- (4) Requiring all registered glass container importers to maintain records reflecting their manufacture of glass containers and importation of products packaged in glass;
- (5) Assessing penalties for violations to any provision of this bill; and
- (6) Requiring state agencies and urging county agencies to purchase materials with recycled glass content when purchasing roadway materials or other high-value end-use applications for public projects.

Testimony in support of this measure was submitted by:

- (1) The Department of Business, Economic Development, and Tourism (DBEDT);
- (2) The Hawaii Food Industry Association;
- (3) The Department of Health;
- (4) The Department of Accounting and General Services;
- (5) The Department of Public Works of the County of Hawaii;
- (6) Jeff Stark Creative Environmental Communications;

- (7) The Environmental Center;
- (8) C. Brewer and Company, Limited; and
- (9) The Sierra Club, Hawaii Chapter.

Testimony in opposition to this bill was submitted by the Coca-Cola Bottling Company of Hawaii.

While testifying in support of the overall intent of this bill, the Department of Accounting and General Services expressed safety concerns resulting from possible sharp edges remaining in recycled batches of glass, as well as the possibility of sharp edges resulting when glass-containing aggregates are machine handled during construction. The Department also expressed concerns that because of the high costs of capital improvement projects, the types of construction materials used should be dictated by market forces.

The Department of Public Works of the County of Hawaii requested in its testimony supporting this bill, that assistance for glass recovery programs be provided without burdening the County's limited resources.

Although testifying in support of this bill, C. Brewer and Company, Limited, proposed amendments to the bill that would:

- (1) Limit the amount of funds from the revenues collected the Department of Health may expend for administrative purposes; and
- (2) Provide an incentive to manufacturers to export their local products.

After free and open discussion, your Committee has amended this bill by:

- (1) Clarifying that all glass container importers registered with the Department of Health maintain records reflecting their manufacture of glass containers as well as the importation and export of products packaged in glass;
- (2) Clarifying that the amount due from glass container importers be the sum equal to the number of glass containers less glass containers exported, multiplied by the advance disposal fee of .015 cents, to encourage the export of local goods; and
- (3) Making technical, nonsubstantive revisions for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2637 as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2637, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Hiraki, Hirono and Takamine.

**SCRep. 85-94 Economic Development and Business Concerns on H.B. No. 856**

The purpose of this bill is to promote economic development.

H.B. No. 856, was introduced as a short-form bill, which is sometimes referred to as a "vehicle" bill primarily used to introduce a bill containing only a general idea as to the purpose of the bill without specific details in long form. Your Committee has amended the bill to provide the substantive contents of the bill in long form so that a public hearing may be properly held on its substantive contents.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the action to report out H.B. No. 856, as amended herein, and recommends that it be recommitted to the Committee on Economic Development and Business Concerns, for the purpose of holding a public hearing thereon, in the form attached hereto as H.B. No. 856, H.D. 1.

Signed by all members of the Committee except Representatives M. Ige and Tam.

**SCRep. 86-94 Energy and Environmental Protection on H.B. No. 2644**

The purpose of this bill is to establish fees for obtaining permits and variances for wastewater systems and authorizes the Department of Health rules for such fees.

Testimony was received from the Department of Health and the Sierra Club supporting the intent of the bill. The Hawaii Sugar Planters' Association submitted testimony opposing the bill on the various grounds.

Your Committee notes the Department of Health's comment that it would be possible to reduce the size of the fees to be charged if money from other sources was used to supplement the cost of the program.

Your Committee unanimously agreed to pass the bill unamended, for consideration by the Finance Committee. However, your Committee encourages the Finance Committee to consider the Department of Health's recommendation to adjust the fees.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2644 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takamine.

**SCRep. 87-94 Economic Development and Business Concerns on H.B. No. 854**

The purpose of this bill is to support business.

H.B. No. 854 was introduced as a short-form bill, which is sometimes referred to as a "vehicle" bill primarily used to introduce a bill containing only a general idea as to the purpose of the bill without specific details in long form. Your Committee has amended the bill to provide the substantive contents of the bill in long form so that a public hearing may be properly held on its substantive contents.

The purposes of this bill, in its amended form, are to:

- (1) Require agencies, as defined under Chapter 91, Hawaii Revised Statutes, to determine the impact of the adoption, amendment, or repeal of any rule on small business; and
- (2) Require an agency, in cases where the impact of the rulemaking action is deemed harmful or detrimental to small business, to issue a statement that it has examined and has found no viable alternatives to the proposed rulemaking action.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the action to report out H.B. No. 854, as amended herein, and recommends that it be recommitted to the Committee on Economic Development and Business Concerns, for the purpose of holding a public hearing thereon, in the form attached hereto as H.B. No. 854, H.D. 1.

Signed by all members of the Committee except Representatives M. Ige and Tam.

**SCRep. 88-94 Housing on H.B. No. 3145**

The purpose of this bill is to allow a person who has purchased a studio or one bedroom multi-dwelling unit to apply for the purchase of a larger dwelling unit sponsored by HFDC if the purchaser's family size exceeds maximum permissible in current dwelling unit.

Under present law, when a small family purchases a studio or a one bedroom multi-family unit from HFDC, they become ineligible to ever apply to purchase a larger home from HFDC. Your Committee is in agreement that this bill will not only allow growing families residing in HFDC sponsored or developed homes an opportunity to purchase larger affordable homes from the HFDC as their families increase, but will also provide the HFDC with an opportunity to then sell the smaller, starter homes to other residents in need of housing in Hawaii.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3145 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Peters and White.

**SCRep. 89-94 Housing on H.B. No. 3146**

The purpose of this bill is to require that notice of hearing on boundary amendment proceedings by the Land Use Commission (LUC) be published at least once in a newspaper in the county in which the land sought to be redistricted is situated, and once in a statewide newspaper 15 days prior to the hearing.

Under present law, the LUC is required to publish hearing notices thirty days prior to the hearings. This consumes two-thirds of the 45 days the LUC is allowed to process the petitions. This allows for only fifteen days to prepare for the hearing itself.

Your Committee is in agreement that the 15 day extension would allow for more time to be spent on the hearing and decision-making process. It recognizes the need for ample time to gain all the information needed for making a fair decision.

The Committee amended the bill to stipulate that notice of hearing on boundary amendment proceedings shall be published at least once in the local newspaper in the locality in which the land is situated or if there is no local newspaper then in a newspaper in the county in which the land sought to be redistricted is situated as well as once in a newspaper of general circulation in the state at least fifteen days in advance of the hearing.

In addition, your Committee felt it necessary to include a requirement that says the landowners contiguous to the proposed boundary amendment lands shall be notified by certified mail. Your Committee found these amendments necessary in order to help insure the people affected by the outcome of the hearings were informed.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3146, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3146, H.D. 1, and be referred to the Committee on Water and Land Use Planning.

Signed by all members of the Committee except Representatives Peters and White.

**SCRep. 90-94                    Housing on H.B. No. 2005**

The purpose of this bill is to make amendments to the rental housing trust fund program in order to clarify certain provisions and to make the program more workable.

Your Committee heard testimony in favor of amending this bill from the Chair of the Rental Housing Trust Fund Commission.

Your Committee has decided to amend this bill in accordance with the recommendations of the Chair of the Rental Housing Trust Fund by:

- (1) Clarifying the appointment of commission members.
- (2) Clarifying that the commission may:
  - (a) enter into consultant contracts and engage employee; and
  - (b) obtain technical and support staff from any government agency.
- (3) Designating \$200,000 for FY 1994-95 for administrative expenses.
- (4) Changing the effective date to July 1, 1994.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2005, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2005, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Peters.

**SCRep. 91-94                    Housing on H.B. No. 2824**

The purpose of this bill is to expand individual housing accounts to include a savings bank or other depository financial services loan company.

Your Committee is in agreement that by including the savings banks and depository financial services loan companies in being able to offer Individual Housing Accounts the consumers will have greater access to Individual Housing Accounts. In addition, this bill relaxes the requirements that those financial institutions meet and therefore allows even more financial institutions to participate.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2824 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representatives Kawakami, Peters and White.

**SCRep. 92-94                    Housing on H.B. No. 3147**

The purpose of this bill is to exempt the Housing Loan Program Revenue Bond Special Fund and Housing Project Bond Special Fund from assessment for central service expenses into the general fund.

Your Committee recognizes that this bill will not allocate any new funds but will exempt the Housing Loan Program Revenue Bond Special Fund and the Housing Project Bond Special Fund from the State's 5% surcharge for central services expenses. These funds are used to administer the Corporation's Hula Mae Single Family Mortgage Program and the Multi-Family Rental Program, respectively.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3147 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Peters and White.

**SCRep. 93-94                    Housing on H.B. No. 2096**

The purpose of this Act is to eliminate the position of the special assistant to housing in the Governor's Office by repealing section 201E-4, Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2096 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Peters.  
(Representatives Kawakami and Tanimoto voted no.)

**SCRep. 94-94                    Housing and Health on H.B. No. 2751**

The purpose of this bill is to appropriate funds to provide operating costs for a long-term rehabilitation residence for the homeless mentally-ill.

Your Committees received testimony in support of this bill from The House, Inc., the Affordable Housing Alliance, and several community groups and agencies. Governmental agencies including the Department of Health and the Hawaii Housing Authority supported this bill conditionally if supported with new funds.

Long term rehabilitation residences would provide for the special needs of the homeless mentally-ill, who may have trouble keeping regular housing arrangements.

This bill included an appropriation of \$298,000 out of the general revenues of the State of Hawaii to provide services. Your Committees have amended this bill to change that amount to the sum of \$1.

As affirmed by the records of votes of the members of your Committees on Housing and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2751, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2751, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representative Peters.

**SCRep. 95-94                    Housing and Health on H.B. No. 2752**

The purpose of this bill is to appropriate funds for operating costs for a "safe haven" pilot project that provides essential services to the homeless mentally-ill without imposing strict program requirements.

Your Committees received testimony in support of this bill from The House, Inc., the Affordable Housing Alliance, and several community groups and agencies. Governmental agencies including the Department of Health and the Hawaii Housing Authority supported this bill conditionally if supported with new funds.

"Safe Haven" housing would provide housing for those homeless mentally-ill who are reluctant to cooperate with other, more traditional projects. This is a large group which usually does not receive adequate shelter.

Your Committees clarified the purpose of this bill by amending Section 1 of the bill to specify that operating costs include clinical staff for safe haven. The bill is further amended to change the amount of the appropriation from \$348,800 to \$1, and change the expending agency to the Department of Health.

As affirmed by the records of votes of the members of your Committees on Housing and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2752, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2752, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representative Peters.

**SCRep. 96-94                    Housing and Health and Human Services on H.B. No. 2911**

The purpose of this bill is to fund services to the severely mentally-ill through supported studio living housing clusters.

Your Committees received testimony in support of this bill from The House, Inc., The Affordable Housing Alliance, and several community groups and agencies. Governmental agencies including the Department of Health and the Hawaii Housing Authority supported this bill conditionally if supported with new funds.

Supported studio living would keep the severely mentally-ill housed and cared for on an outpatient basis. This would help solve the problem of having them incarcerated or institutionalized in state hospitals at a higher cost while providing support and stability rarely available in the private housing market.

This bill included an appropriation of \$219,000 to provide services. Your Committees have amended this bill to change that amount to the sum of \$1.

As affirmed by the records of votes of the members of your Committees on Housing and Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2911, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2911, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Peters.

**SCRep. 97-94 Human Services and Health on H.B. No. 3459**

The purpose of this bill is to repeal Chapter 431 N, HRS, the SHIP Act, and by consequence, it would also repeal Chapter 11-06, Hawaii Administrative Rules which govern SHIP. The measure would also provide employment security to most of the Department of Health employees in the SHIP program who are incumbents in positions being transferred to the Department of Human Services in the Executive Budget.

Testimony from the Department of Human Services and the Department of Health was received in strong support of this measure.

Testimony from the Hawaii Federation of Physicians & Dentists and Hawaii State Primary Care Association was received in opposition to this measure. They both had concerns regarding this measure.

Upon further consideration, your Committees have amended this bill by:

- (1) deleting lines 1 through 6 on page 1 and inserting, "All positions of the state health insurance program established in chapter 431N shall be transferred to the Department of Human Services as part of the health QUEST program, subject to state personnel laws."
- (2) deleting lines 17 through 18, page 1 and lines 1 through 8, page 2 and inserting new language stating that the transferee shall become a civil service employee and not lose any of the benefits so long as the employee possesses the minimum qualifications set forth in accordance with the provision of HRS 77-9.

It is noted by your Committees that the State of Hawaii has been in the nation's forefront in providing access to health care. However, even with the State's success there remains the question of how to provide quality health care at an affordable cost. Through Hawaii Health QUEST, the State hopes to answer that question with the creation of a large purchasing pool consisting of individuals eligible for the current SHIP, GA, and AFDC programs, and by utilizing a managed care plan paid for at fully capitated rates.

As affirmed by the records of votes of the members of your Committees on Human Services and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 3459, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 3459, H.D. 1, and be referred to the Committee on Labor and Public Employment.

Signed by all members of the Committees except Representatives Peters and Tanimoto.

**SCRep. 98-94 Human Services and Health on H.B. No. 2698**

The purpose of the bill is to establish the Governor's Early Childhood Education and Care Coordinating Committee to ensure a seamless quality and availability of early childhood services by the coordinating of existing services and the development of a state aster plan.

Testimony from the Department of Human Services, University of Hawaii, Hawaii Association for the Education of Young Children, Hawaii State Teachers Association, Hawaii Community Foundation, Department of Education, and Office of Hawaiian Affairs was received in support for this measure. Testimony from the Governor's Office of Children and Youth submitted testimony in support for this measure, but believes that this legislation will be unnecessary because Governor Waihee is preparing an Executive Order which will establish this same Hawaii Early Childhood Education and Care Coordinating Committee with the membership, powers, and purpose recommended by this bill.

Your Committees recognize that the Governor's actions to execute an Executive Order will ensure timely coordinating efforts between the public and private sectors to develop a permanent coordinating mechanism for early childhood education and care in Hawaii. However, with expected changes in Administration, your Committees believe that creating statutory language will express legislative intent, commitment and support for such a coordinated system to be established.

It is also noted by your Committees that by federal regulations, the contents and responsibilities of the Title IV-A State Plans rest solely with the Title IV-A Agency and can not be delegated. In view of this fact, your Committees have amended this measure by changing the language to reflect the provision of a courtesy or advisory review of plans related to federal early childhood education and care grants and funds in order to avoid any conflict with the federal requirements. Your Committees have also amended this measure by:

- (1) deleting, "the director of early-childhood education for" from line 20 through 21, page 2;
- (2) adding, "Aloha United Way, The Chamber of Commerce of Hawaii, and Joint Chiefs of the Military" to line 2, page 3;
- (3) appropriated one dollar for purposes of further discussion.

As affirmed by the records of votes of the members of your Committees on Human Services and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2698, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2698, H.D. 1, and be referred to the Committee on Education.

Signed by all members of the Committees except Representatives Peters and Tanimoto.

**SCRep. 99-94                      Human Services and Health on H.B. No. 3293**

The purpose of this bill is to provide the Director of Health the authority to designate Hawaii qualified health centers (HQHCs) and for the Department of Human Services to provide a supplemental capitation payment for enabling services, based on annual cost-based determination.

Testimony from the Hawaii State Primary Association, Waianae Coast Comprehensive Health Center, Healthy Mothers, Healthy Babies Coalition, Hawaii Nurses' Association, Kalihi/Palama Health Center, Waikiki Health Center, and an individual was received in support for this measure.

The Department of Health deferred this matter to the Department of Human Services to respond to the specific elements in this measure concerning cost-based reimbursement. The Department of Human Services understands the intent of the bill, but concludes that such legislation is not necessary, as the Department has established within the Health QUEST capitation methodology an allowable cost for enabling services.

Upon further consideration, your Committees have amended this bill by deleting the wording in section 321, "Additional duties of the director," and added new language more appropriate to the matter, "Any health center previously designated as a Federally Qualified Health Center (FQHC), FQHC look-alike, or Rural Health Center (RHC) shall have comparable designation as a Hawaii Qualified Health Center. The Director of Health shall have the authority to further designate other Hawaii health centers not yet federally designated, but deserving support based on the department's criteria."

As affirmed by the records of votes of the members of your Committees on Human Services and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 3293, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 3293, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Peters and Tanimoto.

**SCRep. 100-94                      Health on H.B. No. 3240**

The purpose of this bill is to clarify that the Department of Health shall provide health-related services to children who:

- (1) Require special education; and
- (2) Have been identified as needing health-related services to benefit from special education.

H.B. No. 3240 was introduced as a short-form bill, which is sometimes referred to as a "vehicle" bill, and is used primarily to introduce a bill containing only a general idea of the purpose of the bill, without specific details in long form. Your Committee has amended the bill to provide the substantive contents of the bill in long form so that a public hearing may be properly held on its substantive contents.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the action to report out H.B. No. 3240, as amended herein, and recommends that it be recommitted to the Committee on Health, for the purpose of holding a public hearing thereon, in the form attached hereto as H.B. No. 3240, H.D. 1.

Signed by all members of the Committee except Representatives Chun, Kawakami and Tanimoto.

**SCRep. 101-94                      Health and Energy and Environmental Protection and Water and Land Use Planning on H.B. No. 724**

The purpose of this bill is to establish, by rule, standards that apply statewide to the control of noise from stationary sources.

Testimony in support of this bill was received by the Sierra Club, Hawai'i Chapter. The State Department of Health had reservations regarding the enforcement and financial implications, despite their support of the intent of this bill.

Your Committees recognize that currently, no rules exist regarding noise levels from stationary sources. It was also noted by your Committees that monitoring and enforcement of current rules is a difficult task but that this is a necessary step in noise pollution control.

Accordingly, your Committees have amended this bill by:

- (1) Replacing language in subsection (b) to establish by rule standards that apply for the control of noise from stationary sources.
- (2) Other non-substantive, technical amendments were made for the purposes of clarity and style.

As affirmed by the records of votes of the members of your Committees on Health and Energy and Environmental Protection and Water and Land Use Planning that are attached to this report, your Committees are in accord with the

intent and purpose of H.B. No. 724, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 724, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Arakaki, Hiraki, Hirono and Takamine.

**SCRep. 102-94                    Agriculture on H.B. No. 3542**

The purpose of this bill is to allow any owner of land as defined under Section 186-1, Hawaii Revised Statutes (HRS), to harvest trees in accordance with an approved management plan under the tree farm program.

In addition, this bill stipulates that when in the public interest, any landowner is prevented from harvesting forest products identified in the approved management plan, the State shall pay to the owner the sum of the income lost and ten percent interest based on the current market value of the unharvested forest products.

Your Committee received supporting testimony from Kamehameha Schools/Bernice Pauahi Bishop Estate. The Department of Land and Natural Resources (DLNR) testified in support of the bill, but feels that a legislated compensation formula for landowners who are prevented from harvesting forest products in the public interest, merits further discussion. Opposing testimony was received from the Sierra Club, Hawaii Chapter, and Hawaii's Thousands Friends.

Upon deliberation, your Committee amended the bill by:

- (1) Deleting reference to the compensation formula for landowners who, when in the public interest, are prevented from harvesting forest products identified in the approved management plan under the tree farm program;
- (2) Clarifying that Section 186-1, HRS, refers to "owner," and not "land" or "owner of land;" and
- (3) Stipulating that the right of landowners to harvest trees shall be on agricultural lands.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3542, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3542, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Ishii-Morikami and Tam.

**SCRep. 103-94                    Consumer Protection and Commerce on H.B. No. 3431**

The purpose of this bill is to authorize the Director of Commerce and Consumer Affairs, in the role of consumer advocate, to employ personnel for technical, professional and administrative positions, exempt from civil service and compensation laws under chapters 76 and 77.

It is the intent of your Committee that the Division of Consumer Advocacy be given flexibility in hiring persons to perform technical, administrative and professional functions, including but not limited to telecommunications, energy utility planning, and general consumer education/communications, without the constraints of civil service requirements.

Your Committee believes that providing flexibility in hiring to the Director of Commerce and Consumer Affairs, in the role of consumer advocate, will maximize the operational success of the division, thereby benefiting both the regulatory process and consumers in general.

Testimony in favor of this bill was submitted by the Division of Consumer Advocacy, Department of Commerce and Consumer Affairs, the Public Utilities Commission, and the Hawaiian Electric Company.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3431 and recommends that it pass Second Reading and be referred to the Committee on Labor and Public Employment.

Signed by all members of the Committee except Representatives Hiraki, Hirono, Oshiro, Peters and Takamine.

**SCRep. 104-94                    Consumer Protection and Commerce on H.B. No. 2862**

The purpose of this bill is to amend Section 38-3, Hawaii Revised Statutes, to authorize the Director of Finance to accept surety bonds as collateral for public deposits, provided that such surety bonds: (1) are issued by insurance companies licensed by the State of Hawaii; (2) are issued by insurance companies having the highest category of claims paying ability (AAA rating) by at least two nationally-recognized statistical rating agencies; and (3) have a valuation equal to the face amount of the surety bond.

Your Committee received testimonies in support of this measure from Municipal Bond Investors Assurance Corporation and the Hawaii Bankers Association.

Testimonies revealed that surety bonds will benefit the State of Hawaii by providing complete and continuous protection for 100% of principal and interest, by eliminating the administrative monitoring of collateral valuation, and by expediting

claims payment. In addition, surety bonds will be a most useful option to financial institutions in providing collateral for government deposits.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2862 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Amaral, Herkes, Peters and Tom.

**SCRep. 105-94 Consumer Protection and Commerce on H.B. No. 2598**

The purpose of this bill is to clarify the Public Service Company Tax Law by:

- (1) Requiring any public utility to provide a sixty-day written notice to the tax assessor of the utility's intent to cease doing business in the State; and
- (2) Exempting any public utility that satisfies its public service company tax obligation from county real property tax liability for that same tax year, regardless of whether a claim for exemption has been filed by December 31 of the previous year.

Comments on this bill were submitted by the Department of Taxation and the Tax Foundation of Hawaii.

Your Committee has amended this bill by clarifying references to the county tax assessor, and making technical, nonsubstantive revisions for the purposes of clarity, style, and conformity.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2598, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2598, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Amaral, Herkes, Peters and Tom.

**SCRep. 106-94 Consumer Protection and Commerce on H.B. No. 2609**

The purpose of this bill is to expand the current Lifeline Telephone Service Tax Credit Program to other utilities.

Supportive testimony was submitted by the Division of Advocacy of the Department of Commerce and Consumer Affairs, Hawaiian Electric Company, Inc., and the American Association of Retired Persons. Testimony in opposition to this measure was submitted by the Department of Taxation. The Public Utilities Commission and the Tax Foundation of Hawaii also submitted comments.

The 1986 Hawaii State Legislature enacted Act 116 to provide a tax incentive for telephone utilities to furnish basic "lifeline" services at discounted rates to limited income elderly and handicapped telephone subscribers in Hawaii.

Because fixed income population groups, particularly the handicapped and the elderly, are limited in their ability to augment their earnings, rate increases for basic necessary services have a much greater impact on their financial ability to meet everyday needs. Your Committee is also aware that utility subscribers, especially electric utility subscribers, have experienced significant rate increases in recent years.

In light of this, your Committee believes that the expansion of the Lifeline Tax Credit Program to other utility services ministers to the public good by ensuring that elderly and handicapped limited income consumers are provided the ability to receive the basic services necessary to function in our modern society.

However, while your Committee is not opposed to providing relief to other fixed-income groups, such as single parents, your Committee also recognizes that if the guidelines for lifeline service eligibility are not clear in delineating the specific population groups authorized to receive lifeline service rates, the Public Utilities Commission may not be able to implement the aforementioned tax credit program within the intended scope of this bill.

It is the intent of your Committee that the Public Utilities Commission allow representatives of the elderly and the handicapped, the utilities, and the Consumer Advocate to participate in the determination of eligibility requirements for lifeline utility services.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2609 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Amaral, Herkes, Peters and Tom.

**SCRep. 107-94 Consumer Protection and Commerce on H.B. No. 2620**

The purpose of this bill is to amend Chapter 431, Article 21, Hawaii Revised Statutes, by adding a new section to prohibit Hawaii Property Insurance Association (HPIA) from engaging in discriminatory practices and charging excessive rates contrary to the standards set forth in Chapter 431, Section 13-103(a)(7) and Chapter 431, Section 14-103(a)(1).

Your Committee received testimony in support of this bill from State Farm Insurance Companies and private individuals. Your Committee also received testimony from the State Insurance Commissioner and the Hawaii Property Insurance Association.

The testimony recommended several amendments to the language to make the bill consistent with existing applicable standards of the Insurance Code.

Your Committee finds that incorporating the existing standards on prohibited discriminatory practices and making of rates set forth in Chapter 431 of the Insurance Code is a better approach to carrying out the intent of the bill.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to This report, your Committee is in accord with the intent and purpose of H.B. No. 2620, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2620, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Amaral, Herkes, Hiraki, Peters and Tom.

**SCRep. 108-94          Housing on H.B. No. 3059**

The purpose of this bill is to appropriate \$500,000 for the Hale Kokua Project.

The Hale Kokua program has been determined by your Committee to have the potential to provide safe housing for the homeless persons who demonstrate that they are taking steps to put their lives back together. In addition, the community-at-large will benefit by having an increased housing stock with minimal cost to government.

This bill included an appropriation of \$500,000 out of the general revenues of the State of Hawaii to provide services. Your Committee has amended this bill to change that amount to the sum of \$1.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3059, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3059, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami, Peters and White.

**SCRep. 109-94          Legislative Management on H.B. No. 3513**

The purpose of this bill as received by your Committee is to enable the State Auditor (Auditor) to better serve State government and the people of Hawaii by allowing the Auditor to concentrate its limited resources on activities that would be most consistent with its primary mission of auditing all state agencies.

This bill proposes to accomplish this by:

- (1) Modifying the "sunset" evaluation process by:
  - (A) Repealing the existing schedule for repealing regulatory programs;
  - (B) Requiring any new regulatory program to be repealed at the end of the third full calendar year following the program's enactment; and
  - (C) Requiring the Auditor to evaluate the new programs prior to each programs' repeal date;
- (2) Repealing the requirement that the Auditor performs studies of the potential social and economic impact of proposals to mandate health insurance, because this is not an audit function, as it is prospective, and not retrospective; and
- (3) Repealing the requirement that the Auditor determines whether each rule and rule amendment submitted by an agency is within the substantive authority under which the rule was adopted.

Presently, the Auditor is required to evaluate each regulatory program prior to the program's repeal date, and recommend to the Legislature whether the health, safety, and welfare of the public are best served by reenactment, modification, or repeal. These evaluations consume a disproportionate amount of the Auditor's limited resources, especially considering that the Department of Commerce and Consumer Affairs, the agency that administers these programs, has dramatically improved its operations.

Moreover, the rule review requirement was designed to ensure that the Executive Branch, in adopting rules, does not usurp the Legislature's policy making function.

Testimony in support of this bill was submitted by the State Auditor and the Department of Commerce and Consumer Affairs.

The Department of Health, Kaiser Permanente, the Hawaii Medical Service Association, and The Chamber of Commerce of Hawaii submitted testimony in opposition to the repeal of the requirement that studies be performed to assess the potential social and economic impact of proposals to mandate health insurance.

Part IV, Chapter 23, HRS, contained in Section 7 of this bill was enacted to provide the Legislature with an objective assessment of all of the potential social and economic effects of proposed mandated health insurance. It was also intended to allow a significant amount of time to pass, during which legislators, health insurance companies, health care providers, and the public, could more thoroughly review and discuss the potential impact of proposed mandated health insurance. Your Committee believes that this objective assessment is necessary, especially at this time, as health care costs are increasing at an alarming rate, increasing the cost of doing business in Hawaii.

After free and open discussion, your Committee has amended this bill by:

- (1) Deleting the provisions that would have repealed the health insurance studies, pursuant to the testimony of the Department of Health, Kaiser Permanente, the Hawaii Medical Service Association, and The Chamber of Commerce;
- (2) Clarifying that the sum of the fees, fines, income, and penalties collected pursuant to Section 26-9, HRS, cover the reasonable annual operating costs of conducting compliance resolution activities required pursuant to Section 26-9, HRS; and
- (3) Making technical, nonsubstantive revisions for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3513, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3513, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representatives Say, Apo and Souki.

**SCRep. 110-94                      Legislative Management on H.B. No. 2731**

The purpose of this bill as received by your Committee is to provide greater public access to legislative proceedings by making possible the broadcasting of floor sessions and committee hearings and briefings via cable television to all counties.

This bill proposes to accomplish this by appropriating funds:

- (1) For production and distribution of television broadcasts of legislative proceedings in the Regular Session of 1995;
- (2) To install electronic hardware and equipment, including but not limited to cameras, cables, and control panels, as part of the Capitol renovation program; and
- (3) To provide television sets with earphones for each public library in the State, to be used for viewing broadcasts of legislative proceedings and other educational programs.

The Legislature, through the passage of Act 331, Session Laws of Hawaii of 1989, embarked upon a program to increase public access and participation in the legislative process through the utilization of new information technologies. The Legislature plans to continue to provide greater public access to legislative proceedings, and the use of cable television for nonpartisan governmental programming is a natural progression that your Committee believes will result in an informed and involved citizenry, making government more effective.

Obviously, the average citizen is not able to attend hearings and sessions during the workday and has little interest in making the trip downtown when off work. Telecasting the meetings and sessions gives citizens the opportunity to view some of the proceedings at their convenience. Listening to the testimonies and discussions helps the public understand the issues better. This paves the way for more informed public opinions on issues. Opinions based on more complete information are certainly sounder than opinions based on emotions and selected or biased information.

Viewing the success of C-Span, which presents congressional sessions and the increasing public interest in watching the Honolulu City Council in action on television, your Committee believes the public expects the same access to the Legislature.

Testimony in support of this bill was submitted by:

- (1) The Legislative Committee of the Democratic Party Grass Roots Conference;
- (2) The Oahu Neighborhood Board Network;
- (3) The League of Women Voters of Honolulu;
- (4) Common Cause Hawaii;
- (5) The National Association of Retired Federal Employees, Hawaii State Federation of Chapters;
- (6) The Kokua Council for Senior Citizens; and
- (7) Olelo: The Corporation for Community Television.

Your Committee did not receive any testimony opposing this bill.

After free and open discussion, your Committee has amended this bill by inserting \$1, as the amount to be appropriated, to encourage further consideration of this bill, and by making technical, nonsubstantive revisions for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2731, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2731, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Say, Apo and Souki.

**SCRep. 111-94 Energy and Environmental Protection on H.B. No. 2746**

The purpose of this bill is to authorize the issuance of special purpose revenue bonds for the construction of a demonstration ethanol production plant in Hamakua, Hawaii.

Testimony in support of this bill was received from the Department of Business, Economic Development, and Tourism and the Energy Associates of Hawaii, Inc. During discussion of this bill, it was suggested that the construction of such plants should not be limited to the Hamakua area and that the Waialua and Kau districts be considered for such development as well. According to testimony received, the revenue needed for construction would be approximately twenty three million dollars.

Your Committee agrees that industries promoting the use of alternative fuels should be supported in order to reduce Hawaii's dependence on imported petroleum. Your Committee also believes that utilization of existing sugar industry land, facilities and labor should be encouraged in order to revive the State's agricultural economy. In accordance with the testimonies received, the bill was amended to include the Waialua and Kau production plants. No dollar amount was specified in the bill in order to allow maximum flexibility to the subsequent committees.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2746, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2746, H.D. 1, and be referred to the Committee on Agriculture.

Signed by all members of the Committee except Representative Hirono.

**SCRep. 112-94 Energy and Environmental Protection on H.B. No. 2546**

The purpose of this bill is to move the environmental management special fund from chapter 342G and establishes it under a new chapter.

Testimony was received from the Department of Health in favor of the bill, including recommendations for minor technical changes. The Hawaii Sugar Planters Association testified against the bill because of their opposition to special funds, generally.

Your Committee believes that moving the environmental special fund into a separate chapter is important for carrying out the functions of the fund. The bill was amended by inserting the language suggested by the Department of Health, and the HD1 with these amendments was passed unanimously.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2546, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2546, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hirono, Nekoba and Takamine.

**SCRep. 113-94 Labor and Public Employment on H.B. No. 3179**

The purpose of this bill is to make Act 32, Session Laws of Hawaii, 1992, the State's recruitment flexibility law, permanent by deleting the scheduled repeal date of June 30, 1994.

Testimony in favor of this bill was received from the Department of Personnel Services (DPS), the Hawaii State Personnel Council, the Hawaii Government Employees Association, and the United Public Workers.

Your Committee finds that DPS has:

- (1) Strengthened its partnership with stakeholders in the human resource system;
- (2) Put into place the "first consideration policy" which provides that in-service employees receive first consideration in filling vacancies; and

- (3) Piloted a "Direct Hire" program allowing managers to quickly fill vacancies for clerk typist and clerk stenographer positions.

Further, your Committee finds that DPS has made significant strides in reforming the recruitment referral system, but cannot go beyond these achievements without making the law and job standards permanent.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3179 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Alcon and Ward.

**SCRep. 114-94 Labor and Public Employment on H.B. No. 3169**

The purpose of this bill is to authorize the Department of Labor and Industrial Relations (DLIR) to establish a worker profiling system as mandated by federal law (Public Law 103-152). The profiling system will identify individuals, who are likely to exhaust unemployment insurance benefits, for referral to reemployment services available under State and federal law.

Favorable testimony on this bill was received from DLIR and the ILWU, Local 142.

Your Committee finds that there is a need to target potential long-term jobless individuals at the beginning of their unemployment insurance claim and establish effective inter-agency program linkages to provide comprehensive assistance in finding employment. Further, failure to comply with the provisions of Public Law 103-152 will result in decertification of the Hawaii Unemployment Insurance program and the loss of federal funds to administer this program.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3169 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Alcon and Ward.

**SCRep. 115-94 Higher Education and the Arts on H.B. No. 3199**

The purpose of this bill is to allow the University of Hawaii the flexibility to generate revenues through the use of outdoor advertising.

Testimony in support of this measure was submitted by the University of Hawaii and the Aloha Stadium. The Outdoor Circle expressed serious concerns with this measure and requested that the proposal be resolutely denied.

Your Committee finds that this bill will provide the University of Hawaii with a mechanism which may be a potential resource for additional funds and has adopted the recommendations of the Stadium Authority to include the scoreboards at Aloha Stadium.

Upon careful consideration, your Committee also feels a responsibility towards the children and young adults in the State, and therefore, has amended this measure to provide that advertisements for alcohol or tobacco products shall not be permitted at any University of Hawaii event.

Technical, nonsubstantive amendments to the bill have also been made for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3199, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3199, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Chumbley, Duldulao, D. Ige, M. Ige and Yonamine.  
(Representative Tanimoto voted no.)

**SCRep. 116-94 Higher Education and the Arts on H.B. No. 3501**

The purpose of this bill is to provide appropriations which would allow the State Foundation on Culture and the Arts to enter into an agreement with the Musicians' Association of Hawaii Local No. 677 and a presenter to retain the services of 63 full-time equivalent members of the Honolulu Symphony musicians in order to provide:

- (1) Concerts for elementary, intermediate (middle), high school and college students;
- (2) Concerts for Hawaii's tourists in the interest of promoting tourism; and
- (3) Concerts for the general public at a reasonable price.

Testimony in support of this measure was submitted by a number of organizations including the Department of Accounting and General Services, the Honolulu Symphony, and the Hawaii Opera Theatre, as well as by a number of musicians and avid symphony supporters in the community.

Your Committee is in agreement that promotion of this bill would allow a number of extremely talented artists the opportunity to share their passion for music with the people of Hawaii, thereby enriching the culture and arts of the State of Hawaii, in addition to providing a source of entertainment for people of all ages.

Your Committee has amended the bill by:

- (1) Replacing the words "eighty services as follows" in lines 6 and 7 of the bill with "the following services"; and
- (2) Inserting an appropriation of \$1.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3501, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3501, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Apo, Arakaki, M. Ige and Yonamine.

**SCRep. 117-94 Higher Education and the Arts on H.B. No. 2473**

The purpose of this bill is to establish the Public Debate Education Special Fund to underwrite and broadcast debates between bona fide gubernatorial candidates.

Further, this bill:

- (1) Imposes a six per cent surcharge tax on the gross proceeds received by a newspaper or television broadcasting business or activity for gubernatorial campaign advertising; and
- (2) Deposits the moneys collected from the surcharge tax into the Special Fund.

Testimony in support of this measure was received from Common Cause Hawaii. The Hawaii Public Broadcasting Authority submitted testimony in support of the basic intent of this bill, but requested that alternatives be explored to provide for the funding proposed in the bill and that the funds be made available for their "People's Agenda" project. The Tax Foundation of Hawaii submitted comments on this measure. The Department of Taxation submitted testimony opposing the enactment of this bill.

Upon careful consideration, your Committee has amended this bill by:

- (1) Deleting the six per cent surcharge tax on the gross proceeds received by a newspaper or television broadcasting business or activities for gubernatorial campaign advertising;
- (2) Replacing the term "underwrite" with "schedule" for clarification;
- (3) Replacing the term "gubernatorial" with the broader term of "major races";
- (4) Clarifying that the Hawaii Public Broadcasting Authority shall work in cooperation with Hawaii Public Television, Olelo, and HITS for public debates;
- (5) Clarifying that the Public Debate Education Special Fund is to be administered by the Hawaii Public Broadcasting Authority;
- (6) Clarifying that the Director of Finance, with the approval of the governor, may transfer moneys from the Hawaii Election Campaign Fund into the Public Debate Education Special Fund;
- (7) Expanding section 11-217 to allow moneys from the Hawaii Election Campaign Fund to be transferred to the Public Debate Education Special Fund;
- (8) Replacing the \$100,000 appropriation with the sum of \$300,000 from the Hawaii Election Campaign Fund; and
- (9) Making technical, nonsubstantive revisions for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2473, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2473, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Apo, M. Ige, Taniguchi and Yonamine.

**SCRep. 118-94 Human Services on H.B. No. 3322**

The purpose of this bill is to request emergency appropriations in the amount of \$10,300,139 for fiscal year 1994.

Testimony from the Department of Human Services was received in strong support of this measure.

It is noted in your Committee that the Aid to Families with Dependent Children (AFDC) and General Assistance (GA) payment programs have been experiencing escalating costs, primarily due to an increase in the caseload and an annual increase in the standard of assistance averaging approximately three percent each year. A review of the past five months' expenditures indicated that the projected shortfall will be \$10,300,139 in General Funds and \$7,203,668 in Federal Funds to be allocated to the payment programs of HMS 201, HMS 202, and HMS 204 (with HMS 202 saving \$750,854 from AFDC).

It is also noted that without the emergency appropriations, the AFDC and GA programs will authorize its last payment to needy individuals and families in March 1994. Thereafter, the Department will not be able to fulfill its statutory requirement to provide financial assistance to needy individuals and families. The Department requires the additional funds by the second week of March 1994 for the April 1994 monthly payments.

Upon further consideration, your Committee has amended this bill by appropriating \$11,214,865 to the General Funds on line 16, page 2.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3322, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3322, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Duldulao and Peters.

**SCRep. 119-94 Human Services on H.B. No. 3160**

The purpose of this bill is to provide for an emergency appropriation of \$1,162,650 for foster board payments for fiscal year 1994.

Testimony from the Department of Human Services and one individual was received in support of this measure.

Your Committee has noted that there was an initial projected shortfall of \$1,162,000 million, that was based on actual expenditures in fiscal year 1993. However, the program's expenditures do not support a continued no growth projection. An additional \$994,040 is needed, in addition to the original request of \$1,162,000 million, for a total of \$2,165,690. The Department faces a critical emergency funding situation. If board payments cannot be made to foster parents and other care providers, the children in placement will be at risk of being returned to unsafe and inappropriate care.

Upon further consideration, your Committee has amended the bill to read \$2,165,690 on line 7, page 2, reflecting the needed moneys.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3160, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3160, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Duldulao and Peters.

**SCRep. 120-94 Human Services on H.B. No. 2954**

The purpose of this bill is to increase the standard of need on July 1 of each year, effective July 1, 1994, when there is a change in the federal poverty level.

Testimony from the National Association of Social Workers, Committee on Welfare Concerns, Legal Aid Society of Hawaii, and Single Parent Advocacy Network was received in support of this measure.

The Department of Human Services submitted testimony in opposition stating that this bill will exceed the administration's budget.

It is noted that your Committee recognizes that there are 60,000 people receiving AFDC or general assistance and over sixty percent of these recipients, approximately 36,000, are children. The overwhelming majority of persons in cash assistance programs administered by the Department of Human Services are children with specified caretaker relatives, primarily a parent, and disabled adults.

It is also noted that your Committee believes that the current freeze on welfare payments is a punitive rather than rehabilitative action. It is not giving these individuals the incentive to get off of welfare.

Upon further consideration, your Committee has amended the bill by appropriating one dollar for the purposes of further discussion.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2954, as amended herein, and recommends that it

pass Second Reading in the form attached hereto as H.B. No. 2954, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Duldulao and Peters.

**SCRep. 121-94                      Transportation on H.B. No. 2829**

The purpose of this bill is to increase civil penalties for violation of laws regulating motor carriers. The bill requires the Public Utilities Commission or its enforcement officer to publish in a newspaper of general circulation in the State the name of any person who violates motor carrier laws, together with the nature and circumstances of the violation.

Your Committee received testimony from the Public Utilities Commission (PUC) and the Hawaii Transportation Association (HTA). The representatives of the PUC and the HTA testified in support of the measure.

Your Committee has amended Section 1 of this bill to allow the Commission to assess a civil penalty of "up to \$1,000" rather than a flat rate of \$1,000 for each offense. Further, in the case of a continuing violation, a civil penalty of "not less than \$50" and not to exceed \$500 will be assessed. An additional amendment has been incorporated to allow the Commission flexibility in publishing the names of violators in the newspaper.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2829, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2829, H.D. 1, and be referred to the Committees on Consumer Protection and Commerce and Judiciary.

Signed by all members of the Committee except Representative Hagino.

**SCRep. 122-94                      Transportation on H.B. No. 2982**

The purpose of this bill is to allow exceptions to the provision requiring all traffic fines and assessments to be paid to the Director of Finance, for assessments collected for the driver education and training fund.

Your Committee finds that with the passage of Act 214 (1993), which addresses the decriminalization of traffic offenses, that clear and concise language regarding traffic infractions is needed to ensure the continued collection of assessments for the operation of the driver education program.

Your Committee received testimony from the Judiciary.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2982 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Hagino, Shon and Ward.

**SCRep. 123-94                      Housing on H.B. No. 2810**

The purpose of this bill is to create an emergency rental housing loan revolving fund, and to authorize the rental housing trust fund to expend monies through non-profit organizations as expending agencies, and to encourage the rental housing trust fund to contract for services with non-profit organizations.

This fund would help provide access to the rental housing market to those who are kept away by high initial costs.

Your Committee received testimony in support of this bill from the Office of Hawaiian Affairs and the Legal Aid Society. Other agencies such as the Housing Finance and Development Corporation and the Hawaii Housing Authority supported the intent of the bill but not the bill itself in its current form.

Your Committee has amended this bill to make the expending agency the Rental Housing Trust Fund Commission, and to add a purpose section which encourages that Commission to work through private non-profit organizations.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2810, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2810, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Peters.

**SCRep. 124-94                      Housing on H.B. No. 3061**

The purpose of this bill is to prohibit landlords from evicting tenants with the intention of rebuilding, remodeling, or demolishing the building until the landlord has all necessary building permits and financing documents.

Your Committee feels this bill will prohibit landlords from evicting tenants before it is necessary to do so. In the past, tenants have been evicted before necessary permits were obtained and the property stayed vacant without being demolished.

Your Committee amended the bill to include a stipulation that these actions do not preclude the landlord and tenants from entering into discussion to determine the date the tenants will vacate the property.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3061, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3061, H.D. 1, and be referred to the Committees on Consumer Protection and Commerce and Judiciary.

Signed by all members of the Committee except Representatives Peters and White.

**SCRep. 125-94            Housing on H.B. No. 2763**

The purpose of this bill is to establish a program to enable the State to assist in the acquisition of fee interests on behalf of elderly condominium lessees.

At the present time, many of the elderly condominium lessees of Hawaii cannot afford to purchase the fee interests or afford increased ground lease rents for their leasehold condominium residences as many are on fixed incomes. Many of the elderly residents are concerned that they will be forced to sell their condominiums and move as a result.

Your Committee is in agreement that, in order to serve the needs of these elderly residents, the State should acquire these leased fee interests so that it can then lease those acquired interests back to the qualified elderly condominium lessees at a lease rent amount that is affordable to the lessee. This will allow those elderly condominium lessees on fixed incomes to remain in the homes where they have already invested so many of their resources.

Whereas your Committee found that there were several logistical problems with the bill in its present form, it has been amended to a shorter form which revises section 516-44 of the Hawaii Revised Statutes to rename the fee simple residential revolving fund as the fee simple housing revolving fund. It also now includes a stipulation that this fund may also be used for the purpose of the State purchasing lease fee interests of condominiums leased by elderly who are on a fixed income and require assistance from the State for such purchases.

Your Committee also notes in the bill that the Housing Finance and Development Corporation is the agency to which this fee simple housing revolving fund belongs, not the Hawaii Housing Authority. Section 3 through Section 4 have been omitted.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2763, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2763, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce and the Judiciary Committee.

Signed by all members of the Committee except Representatives Peters and Tanimoto.

**SCRep. 126-94            Housing on H.B. No. 2750**

The purpose of this bill is to appropriate \$100,000 for the Milolii self-help project and \$600,000 for the Puukapu self-help pilot project housing program in Waimea.

These self-help projects provide an affordable means for families throughout the State to realize their dream of home ownership. Self-help housing saves money for families and helps to build self-esteem.

Your Committee has amended the bill to appropriate out of the general revenues of the State of Hawaii the sum of \$1, or so much thereof as may be necessary for fiscal year 1994-1995, for the Milolii self-help housing program as well as for the self-help pilot project housing program in Waimea.

In addition, your Committee further amended the bill to include a stipulation that the funds appropriated for the Milolii program shall be specifically designated to complete the desalination plant, to reconfigure the fire stations and install fire hoses, and for the completion of the Milolii Phase III self-help project.

Finally, your Committee further amended the bill to state that if the total amount of the designated \$25,000 allotted to each family is not utilized by March of 1995, the unexpended amount shall go toward infrastructure improvements and community facilities in the village.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2750, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2750, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Peters and White.

**SCRep. 127-94            Economic Development and Business Concerns on H.B. No. 2638**

The purpose of this bill is to establish the Clean Hawaii Center which shall be responsible for the market development of local processing and manufacturing industries for collected recyclables. The Clean Hawaii Center will be funded through the newly created Grow Hawaii Revolving Fund which would derive moneys from a \$2,000,000 appropriation for

fiscal year 1994-1995, a portion of the solid waste advance disposal fee, and a proposed multi-material advance disposal fee.

Testimony in favor of this bill was received from the Department of Business, Economic Development, and Tourism, the Department of Health, the Environmental Center of the University of Hawaii, Aloha Recycling Technologies, Inc., Eco Logic, Creative Environmental Communications, Browning-Ferris Industries of Hawaii, Inc., Hawaiian Earth Products, Ltd., the Sierra Club, and Intech, Inc.

Your Committee has amended this bill by:

- (1) Clarifying that the 50 cent per ton increase in the solid waste management surcharge would become effective from July 1, 1994;
- (2) Mandating that the solid waste management surcharge will be reduced by the 50 cent per ton portion dedicated to the Grow Hawaii Fund on July 1, 1996;
- (3) Requiring the Clean Hawaii Center to provide low interest, long-term loan assistance to recycling businesses targeted for assistance;
- (4) Clarifying that the guiding principles of the governing board of the Clean Hawaii Center are minimum guidelines to be considered for program development and prioritizing financial assistance;
- (5) Including a business plan reflecting budget concerns, profit potential, and the ability to meet market demands among the guiding principles for the board of the Clean Hawaii Center to consider; and
- (6) Technical, nonsubstantive amendments for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2638, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2638, H.D. 1, and be referred to the Committee on Energy and Environmental Protection.

Signed by all members of the Committee except Representative Cachola.

**SCRep. 128-94 Economic Development and Business Concerns on H.B. No. 3502**

The purpose of this bill is to appropriate funds for the establishment of a statewide information clearinghouse and electronic database for arts and cultural activities, sports events, ethnic festivals, and other special events unique to Hawaii.

Your Committee recognizes the positive influence that culture and the arts have in the lives of Hawaii's rich multi-cultural society. Dance, drama, music, poetry, ethnic festivals, sports events, and other art and cultural activities play a vital and fundamental role in the community through expression and creativity. The Hawaii International Film Festival, Aloha Week, First Night, the Merrie Monarch Hula Festival, the Hula Bowl, the Honolulu Marathon, and the State Farm Fair are just some of the examples of the rich array of cultural events that take place throughout the year.

Your Committee recognizes that a considerable segment of the population, residents and nonresidents alike, is unaware and uninformed about the cultural activities and events taking place within the State. Therefore, a greater public awareness of culture and the arts will expose Hawaii residents and visitors to rich and varied array of cultural activities and events in the State. A statewide clearinghouse and electronic database for arts and cultural activities, sports events, ethnic festivals, and other special events unique to Hawaii will provide immense opportunities to encourage individuals to experience and enjoy the highest expressions of culture and the arts in Hawaii.

The Office of Hawaiian Affairs, the Hawaii Information Network Corporation (HAWAII INC), Ballet Hawaii, Artbeat, and a private citizen testified in support of this measure. Your Committee also received testimony in support of the intent of this bill from the Department of Business, Economic Development, and Tourism and the State Foundation on Culture and the Arts.

Upon consideration, your Committee amended the bill by:

- (1) Decreasing the appropriation sum from \$200,000 to \$10,000 for fiscal year 1994-1995; and
- (2) Making other technical, nonsubstantive amendments for purposes of clarity and style.

It is the strong belief of your Committee that the widespread promotion of a statewide arts, cultural activities, and events database to the public is fundamental to its success. Therefore, any moneys appropriated for this project shall be used to inform the community of this valuable public service.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3502, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3502, H.D. 1, and be referred to the Committee on Higher Education and the Arts.

Signed by all members of the Committee except Representatives M. Ige and Tam.

**SCRep. 129-94 Economic Development and Business Concerns on H.B. No. 3095**

The purpose of this bill is to provide the necessary resources for the Public Utilities Commission (PUC) to continue proceedings on Docket No. 7702, which was opened on May 11, 1993, and entitled, "In the Matter of Public Utilities Commission Instituting a Proceeding on Communications, including an Investigation of the Communications Infrastructure of the State of Hawaii."

Your Committee recognizes that the PUC's communications infrastructure docket will greatly assist in facilitating the deployment and use of highly developed communications technologies and services to the State. The infrastructure docket will provide the regulatory framework necessary to support and attract new communications technologies and services to the State, and help provide for the systematic integration of these technologies and services.

According to the PUC's testimony, the PUC will complete the communications infrastructure plan in November, 1994. Specific findings and recommendations from the infrastructure docket will then be submitted to the Legislature in time for the 1995 Regular Session.

The PUC testified in support of the bill, with suggested amendments. Your Committee also received supporting testimony from GTE Hawaiian Telephone Company Incorporated ("Hawaiian Tel").

Upon consideration, your Committee has amended the bill, with the suggested amendments by the PUC. Your Committee has inserted the sum of \$20,000 for fiscal year 1994-1995 for the hiring of consultants to provide the technical assistance necessary to complete the PUC's communications infrastructure docket.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3095, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3095, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representatives M. Ige and Tam.

**SCRep. 130-94 Economic Development and Business Concerns on H.B. No. 3481**

This bill establishes a Wellness Industry Commission (Commission) which shall advise and assist the Governor and Legislature on developing a wellness industry by:

- (1) Serving as a temporary forum for comprehensive wellness industry policy formulation, public and private sector coordination, and information dissemination;
- (2) Facilitating the development of the Hawaii wellness industry management plan; and
- (3) Preparing and submitting the strategic plan.

This bill also appropriates \$100,000 for the establishment of the Commission.

Testimony in support of this bill was received from the Department of Business, Economic Development, and Tourism, the Department of Health, the Chamber of Commerce of Hawaii, and a private citizen.

Your Committee finds that one of the largest growing consumer segments across national boundaries is a population seeking wellness services and products. A wellness industry can serve to expand the visitor industry market, expand business opportunities for local service providers, create revenue, and improve Hawaii's work and business environment.

Further, your Committee finds that Hawaii has the potential to become a major center for such activities, serving people from throughout the Pacific. The Commission will do a comprehensive analysis of the potential of such an industry in Hawaii and put together a detailed strategy for the industry's development.

Your Committee has amended this bill by:

- (1) Emphasizing the broad scope of health interests that may be represented on the Commission, and clarifying that consumer interests should also be represented;
- (2) Reducing the objectives of the Commission to those which may be reasonably attained during its one-year existence; and
- (3) Making technical, nonsubstantive amendments for the purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3481, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3481, H.D. 1, and be referred to the Committee on Health.

Signed by all members of the Committee except Representatives M. Ige and Tam.

**SCRep. 131-94 Judiciary on H.B. No. 3463**

The purpose of this bill is to transfer four full-time security guards at the National Guard and State Civil Defense facilities in the Diamond Head complex from the State Department of Defense to the Department of Public Safety.

Your Committee received testimony in favor of this bill from the Department of Defense (DOD) and the Department of Public Safety (DPS). The DOD pointed out that the transfer will provide the four employees with greater advancement and training opportunities, and will not affect security. The DPS noted that this transfer was initiated pursuant to Act 211, Session Laws of Hawaii 1989, which consolidated all state public safety functions into the DPS, and required the Director to report to the Legislature on possible additional transfers of public safety employees and functions into DPS.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3463 and recommends that it pass Second Reading and be referred to the Committee on Labor and Public Employment.

Signed by all members of the Committee except Representatives Cachola, Hirono, Menor, Peters and Takamine.

**SCRep. 132-94                      Judiciary on H.B. No. 3150**

The purposes of this bill are to:

- (1) Specify that military justice training for the National Guard encompasses all of the provisions of Chapter 124A, Hawaii Revised Statutes; and
- (2) Require that members of the National Guard receive refresher training in military justice once every three years, instead of annually.

Your Committee received testimony in support of this bill from the State of Hawaii Department of Defense. The Committee agrees with the Department that the proposed changes in training requirements are reasonable, and will give the National Guard needed flexibility in managing its various training programs.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3150 and recommends that it pass Second Reading and be referred to the Committee on Labor and Public Employment.

Signed by all members of the Committee except Representatives Amaral, Bunda, Hirono, Oshiro, Peters and Thielen.

**SCRep. 133-94                      Judiciary on H.B. No. 2984**

The purpose of this bill is to provide for six additional civil service exempt law clerk positions for the Family Court of the First Circuit and in the Civil and Criminal Administrative and Motion Courts of the First Circuit.

Your Committee received testimony in favor of this bill from the Judiciary. The Judiciary noted that the Courts in the First Circuit have greatly increased responsibilities, and are in need of additional staff to expeditiously process cases.

Your Committee agrees that the Courts of the First Circuit need these additional law clerk positions. The Committee has amended the bill by changing its effective date from July 1, 1994, to the date of its approval by the Governor.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2984, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2984, H.D. 1, and be referred to the Committee on Labor and Public Employment.

Signed by all members of the Committee except Representatives Bunda, Hirono, Menor, Oshiro, Peters and Thielen.

**SCRep. 134-94                      Water and Land Use Planning on H.B. No. 3106**

The purpose of this Act is to effectuate the intent of Act 348, Session Laws of Hawaii 1993, through the exchange of public lands, and authorize the acquisition of additional land identified as significant to the preservation of Mount Olomana as a historical site.

H.B. 3106 was introduced as a short-form bill, which is sometime referred to as a "vehicle" bill primarily used to introduce a bill containing only a general idea as to the purpose of the bill without specific details in long form. Your Committee has amended the bill to provide the substantive contents of the bill in long form so that public hearing may be properly held on its substantive contents.

As affirmed by the record of votes of the members of your Committee on Water and Land Use Planning that is attached to this report, your Committee is in accord with the action to report out H.B. No. 3106, as amended herein, and recommends that it be recommitted to the Committee on Water and Land Use Planning, for the purpose of holding a public hearing thereon, in the form attached hereto as H.B. No. 3106, H.D. 1.

Signed by all members of the Committee except Representatives Bainum and Tajiri.

**SCRep. 135-94                      Judiciary on H.B. No. 2970**

The purpose of this bill is to increase the salaries of the justices and judges of the Hawaii Judiciary, and to provide for future increases in their salaries at the times when the salary for any public supervisory employee in a white collar position is increased under a collective bargaining agreement.

Your Committee received testimony on this bill from the Judiciary, the Hawaii State Bar Association Legislation Committee, and the Judicial Council of Hawaii.

Your Committee is cognizant of the tight economic times the State must presently work under. Your Committee finds that according to the Consumer Price Index, the cost of living in the region of Honolulu increased 3.1% for the period from the first six months of 1992 to the first six months of 1993.

Your Committee believes that justices and judges deserve an increase in compensation. Your Committee also believes that judicial salaries should be evaluated in light of the salaries received by other state employees, who are also public servants deserving of increases in compensation.

Your Committee believes that a Judicial Salary Commission should be established to set judicial salaries in accordance with the principles of adequate compensation for work performed, and the preservation of a sensible relationship with the salaries of other state employees.

Your Committee has amended this bill by:

- (1) Providing for a 3.5% increase in salary for all justices and judges in the Hawaii Judiciary in Sections 2, 3, 4, and 5 of the bill.
- (2) Establishing a new Judicial Salary Commission in Section 1 of the bill.
- (3) Repealing the existing law on a Judicial Salary Commission in Section 6 of the bill.
- (4) Adding an appropriation section to the bill, as Section 7, for the expenses and staff of the Judicial Salary Commission.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2970, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2970, H.D. 1. and be referred to the Committee on Labor and Public Employment.

Signed by all members of the Committee except Representatives Bunda, Hirono, Menor, Oshiro, Peters and Thielen.

**SCRep. 136-94                      Judiciary on H.B. No. 2309**

The purpose of this bill is to eliminate the \$2 cap on traffic abstract fees and allow the Chief Justice of the Hawaii Supreme Court to set the fee up to a maximum of \$10.

Testimony in support of the intent of this bill was received by the Committee from representatives of the Judiciary.

Your Committee finds that the fee for processing traffic abstracts has not been adjusted since 1982 and a reasonable fee for traffic abstracts at this time is \$5.

Your Committee also finds that there are a number of Traffic Violations Bureaus statewide.

Your Committee has amended this bill by:

- (1) Deleting the purpose statement found in Section 1.
- (2) Amending Section 2 to provide for a traffic abstract fee of \$5.
- (3) Deleting references to "traffic violations bureau" in the singular and replacing it with references to "traffic violations bureaus".

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2309, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2309, H.D. 1. and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hirono, Menor, Peters and White.

**SCRep. 137-94                      Judiciary on H.B. No. 2969**

The purpose of this bill is to make the following judicial positions exempt from civil service:

- (1) Judicial education and resource development director;
- (2) Judicial education and resource development specialist; and
- (3) Judicial education and resource development secretary.

Your Committee received testimony in favor of this bill from the Judiciary. This bill is part of the Judiciary package.

Your Committee agrees with the Judiciary that the Chief Justice and the Administrative Director of the Courts need flexibility in making these positions directly accountable to them.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2969 and recommends that it pass Second Reading and be referred to the Committee on Labor and Public Employment.

Signed by all members of the Committee except Representatives Bunda, Hirono, Menor, Oshiro, Peters and Thielen.

**SCRep. 138-94                    Judiciary on H.B. No. 2187**

The purpose of this bill is to raise the uniform maintenance allowance for enlisted personnel of the Army or Air National Guard from \$1.50 to \$3.00 per day.

Your Committee received testimony on this measure from the office of the Adjutant General, who was in favor of the intent of the bill, but opposed any increase in the department's budget.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2187, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Bunda, Cachola, Hirono, Oshiro and Peters.

**SCRep. 139-94                    Agriculture on H.B. No. 2879**

The purpose of this bill is to appropriate funds for the study, promotion, and marketing of Hawaiian yearling beef.

Your Committee recognizes the significant economic potential in promoting and developing Hawaiian yearling beef. According to a study that was conducted by the University of Hawaii (UH) Department of Animal Science and Environmental Chemistry, and coordinated by the Hawaii County Cooperative Extension Service, compared with USDA choice beef, Hawaii-grown, young, grass-fed beef contains less total fat, less saturated fatty acids, and higher amounts of the beneficial mega-3 fatty acids. The beneficial health value of consuming Hawaiian yearling beef has a positive appeal to "health-conscious" consumers who are concerned about the levels of saturated fatty acids in red meats.

One way to support Hawaii's cattle industry is to conduct further research on Hawaiian yearling beef. Your Committee recognizes that additional efforts to study, promote, and market Hawaiian yearling beef will have a positive effect on the local economy and to the cattle industry.

Your Committee received supporting testimony from the Hawaii Cattlemen's Association and the Hawaii Cattlemen's Council. Testimony was also submitted by the UH College of Tropical Agriculture and Human Resources (CTAHR) and two private citizens. In its testimony, CTAHR indicated that although moneys for this bill was not included in the UH Board of Regents (BOR) budget, CTAHR welcomes additional support for this project, provided that the BOR budget is maintained and the appropriation does not replace any item in the 1994 Executive Budget. Animal Rights Hawaii testified that it opposes the State's financial support of the meat industry.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2879 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Ishii-Morikami and Tam.

**SCRep. 140-94                    Agriculture on H.B. No. 3047**

The purpose of this bill is to appropriate funds to educate the public and to control the spread of the European brown snail.

The moneys appropriated in this bill would be specifically used for:

- (1) The purchase and distribution of snail bait products;
- (2) Educating farmers and the general public of the destructive potential of the European brown snail; and
- (3) Educating farmers and the public of other methods of snail eradication and control.

The devastating effects of the European brown snail to Hawaii's diversified agricultural crops are well-documented. This destructive pest attacks the new stem growth of plants and weakens plant life. While this pest is currently found only on the islands of Maui and Hawaii, increased efforts must be taken to educate the public about dire threat of the European brown snail to vegetable, floral, and orchard crops statewide.

A widespread public information effort that informs the public of the European brown snail's destructive potential, and the means to control and eradicate this pest, would greatly assist in the effort to stem the proliferation of this harmful pest.

Your Committee received testimony from the Department of Agriculture (DOA) in support of the intent of the bill, with the provision that the appropriation contained in the bill does not replace DOA's current priorities as indicated in the 1994 Executive Supplemental Budget. Testimony on this bill was also submitted by several interested citizens.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3047 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Ishii-Morikami and Tam.

**SCRep. 141-94 Energy and Environmental Protection on H.B. No. 2817**

The purpose of this bill is to establish an Environmental Science, Management, and Policy Task Force.

Testimony was received from the Hawaii Nature Center and the University of Hawaii Environmental Center supporting the intent of the bill. The Hawaii Nature Center said the measure was particularly important as part of a long-term approach to the "brain drain syndrome" which has affected our state for many years, ie. local youth being forced to leave Hawaii to find training and employment in fields such as environmental management, biological sciences, environmental education, etc. The Environmental Center suggested that the bill focus more broadly on the Pacific region.

Your Committee recognizes the importance of the University's future contributions to this effort, while also recognizing the need for academic independence.

Your Committee unanimously agreed to pass the bill with the following amendments incorporating the suggestions from the University of Hawaii.

- (1) Removing the second sentence in Section 1, part (3);
- (2) Clarifying the language in Section 2 to establish the State of Hawaii as a Pacific Center-of-Excellence; and
- (3) Modifying the language in Section 3 to conform to the University's recommendation.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2817, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2817, H.D. 1, and be referred to the Committee on Higher Education and the Arts.

Signed by all members of the Committee except Representative Hirono.

**SCRep. 142-94 Health on H.B. No. 3315**

The purpose of this bill is to recognize advanced practice registered nurses (APRNs) and to grant limited prescriptive authority to qualified APRNs. This bill also provides for APRN representation on the Board of Nursing and generates a council to create formularies for APRNs with prescriptive authority. Appropriations from general revenues funds are also included in this bill to support implementation of this Act.

Your Committee received numerous testimonies from a variety of healthcare professionals, as well as a number of healthcare organizations which included the Kokua Council, the Kalihi-Palama Health Center, the Department of Public Safety, the Healthcare Association of Hawaii, the Board of Nursing, and the Hawaii Nurses Association. The Department of Health also supported this measure as long as it excluded any substance defined or specified as a schedule I-V substance.

Opposing this bill were a host of doctors and physicians groups which included the Hawaii Medical Association and the Hawaii Federation of Physicians and Dentists. Their main concern was that of health care quality and their feelings that this quality would be sacrificed if nurses were given prescriptive authority. According to these testifiers, nurses receive far less training than that required by doctors and that this deficiency could jeopardize patient care.

Your Committee notes that currently 43 states allow APRNs prescriptive authority and that none of these states have repealed their measures. Further, your Committee recognizes that the focus of reforming the health care delivery system needs to be on primary care, health promotion and disease prevention activities, and access to affordable, appropriate, and acceptable health services. It is this access that continues to remain an obstacle impacting on both rural and low income populations and causes them to be underserved. For this reason, your Committee believes that it is in the best interest of the people that this bill continue in the legislative process.

Taking into consideration all concerns voiced, your Committee has amended this bill by:

- (1) Including language that increases the hours of pharmacotherapeutics required by APRNs.
- (2) Adding a third physician and a nonmedical member of the general public to the formulary council.
- (3) Amending the definition of "Institution" to mean medicare certified acute care hospitals and long term care facilities, federally qualified Health Maintenance Organizations, federally recognized primary and community health care centers, and state and public health agencies.
- (4) Inserting language that stipulates when a recognized advanced practice registered nurse may continue to practice and under what conditions they may continue to practice prescribing medications.
- (5) Adding a new section that provides for the evaluation of prescriptive authority by the Board of Nursing and that this evaluation be given to the Legislature two years after implementation of the prescriptive authority program.
- (6) Amending the appropriation amount to \$1 for the purposes of further discussion.
- (7) Other technical, nonsubstantive amendments were made for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3315, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3315, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee.

**SCRep. 143-94                      Health on H.B. No. 3460**

Testimonies in support of the intent of this measure were received from the American Association of Retired Persons, the Executive Office on Aging, the State Department of Health, the Hawaii Board of Health, the Department of Labor and Industrial Relations, The Chamber of Commerce, HMSA, Kaiser Permanente, and the Healthcare Association of Hawaii along with numerous other organizations and members of the public.

Both the Hawaii Medical Association and the Hawaii State Association of Life Underwriters opposed passage of this bill because they felt that another layer of bureaucracy was being created and that people would no longer have a say in their health insurance coverage. These organizations also felt that passage of this legislation would be premature pending passage of the Clinton Health Plan.

After considering testimony presented to your Committee, it was understood by your Committee that Hawaii is facing serious problems with health care costs and our decreasing ability to deal with this and other related health care issues in an effective, and non-regulatory way. Your Committee is also proud to note that unlike many other states, Hawaii has made tremendous strides in developing a system which can boast of many significant achievements such as near universal healthcare coverage. However, it is realized by your Committee that much improvement can be made to the current system and that, although this measure does not address all of the problems of the health care system, it is a start in the right direction and may provide the State with leverage should a national health care plan be mandated to the states.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3460 and recommends that it pass Second Reading and be referred to the Committees on Consumer Protection and Commerce and Judiciary.

Signed by all members of the Committee except Representative Tanimoto.

**SCRep. 144-94                      Health on H.B. No. 3041**

The purpose of this bill is to expand the current mandated healthcare insurance coverage for mental health and substance abuse treatment.

Testimonies in support of the intent of this measure were received by the Department of Health, the Hawaii Psychological Association, and other interested members of the public.

The Chamber of Commerce submitted testimony in opposition to this bill indicating that a report had to be completed by the Legislative Auditor assessing the social and financial impact of this measure before the Legislature could mandate such health care coverage.

Your Committee understands that mental health and substance abuse plays a critical part in a persons overall physical condition. It is also noted by your Committee that mental health care can greatly reduce overall medical costs.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3041 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representatives Arakaki, Kawakami and Tanimoto.

**SCRep. 145-94 Health on H.B. No. 3004**

The purpose of this bill is to amend Chapter 431M, Hawaii Revised Statutes, relating to mental health and alcohol and drug abuse treatment insurance benefits. The measure proposed by providers is intended to revise the benefits configuration to reflect present practices.

Testimonies supporting the intent of this measure were received from the Hawaii Psychological Association, Kaiser Permanente, HMSA, the Healthcare Association of Hawaii and various concerned members of the community.

While the Department of Health supported the intent of this measure, they had recommended action on this measure be deferred because they felt that action should be taken on HB 3165 which was more specific in nature.

The Chamber of Commerce of Hawaii submitted testimony in opposition to this bill. They perceived this bill as another attempt of government mandating to business what it can and cannot do.

It is understood by your Committee that disabilities caused by untreated mental illness and substance abuse are extremely costly both in monetary and in human terms. Because there is a relationship between mental health and physical health, it is the concern of your Committee that there may be a higher utilization of other medical services if there is termination of mandated mental health coverage in Hawaii. This overutilization will cause tremendous strain on an already hard pressed health care system.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3004, and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representatives Arakaki, Kawakami and Tanimoto.

**SCRep. 146-94 Housing on H.B. No. 2754**

The purpose of this bill is to clarify the income tax credit for low-income household renters by amending the Hawaii Revised Statutes.

H.B. No. 2754 was introduced as a short-form bill, which is sometimes referred to as a "vehicle" bill primarily used to introduce a bill containing only a general idea as to the purpose of the bill without specific details in long form. Your Committee has amended the bill to provide the substantive contents of the bill in long form so that a public hearing may be properly held on its substantive contents.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the action to report out H.B. No. 2754, as amended herein, and recommends that it be recommitted to the Committee on Housing for the purpose of holding a public hearing in the form attached hereto as H.B. No. 2754, H.D. 1.

Signed by all members of the Committee except Representative Peters.

**SCRep. 147-94 Legislative Management on H.B. No. 2172**

The purpose of this bill is to allow the Legislature to consider at a special session any bill pending at the adjournment of the regular session.

Your Committee finds that this bill will help to facilitate the legislative process by promoting an efficient means of considering any bill that is still pending at the final adjournment of a regular session.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2172 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Apo, Say and Souki.  
(Representatives Thielen and Ward voted no.)

**SCRep. 148-94 Legislative Management on H.B. No. 2730**

The purpose of this bill as received by your Committee is to provide greater participation in the legislative process to the public through education and electronic access.

This bill proposes to accomplish this by making the Public Access Room (Room) a permanent feature within the Legislature. Among other things, this bill:

- (1) Establishes the Room as a politically neutral, nonpartisan office of the Legislature;
- (2) Enumerates the functions of the Room;
- (3) Authorizes the Legislature to hire personnel to staff the Room;

- (4) Requires the Legislature to provide:
- (A) Suitable quarters for the Room staff;
  - (B) For the acquisition of all necessary equipment, furniture, and supplies necessary for the efficient operation of the Room;
- and
- (5) Appropriates funds for staffing, equipment, supplies, furniture, and program development.

During the Regular Session of 1989, the Legislature passed one of the most farsighted bills passed by any state Legislature. Act 331, Session Laws of Hawaii of 1989, provided a means for the citizenry of Hawaii to interact with legislators in the legislative process. Your Committee believes that any steps that the Legislature can take to improve and increase the public's participation in the legislative process is desirable and should be taken.

Testimony in support of this bill was submitted by:

- (1) The Legislative Committee of the Democratic Party Grass Roots Conference;
- (2) The Oahu Neighborhood Board Network;
- (3) The Hawaii State Student Council;
- (4) The League of Women Voters of Honolulu;
- (5) Common Cause Hawaii;
- (6) Hawaii Citizens' Rights;
- (7) The National Association of Retired Federal Employees, Hawaii State Federation of Chapters;
- (8) The Kokua Council for Senior Citizens;
- (9) Ka Lahui Hawaii Political Action Committee;
- (10) Hawaii's Thousand Friends;
- (11) The American Association of Retired Persons, Hawaii Chapter;
- (12) Ka Lahui Hawaii, Honolulu District; and
- (13) Private citizens.

Your Committee did not receive any testimony opposing this bill.

After free and open discussion, your Committee has amended this bill by inserting \$1, to encourage further consideration of the measure, and by making technical, nonsubstantive revisions for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2730, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2730, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Apo, Say and Souki.

**SCRep. 149-94                      Legislative Management on H.B. No. 3669**

The purpose of this bill is to establish a program to monitor the status of complying with significant recommendations resulting from postaudits made by the State Auditor.

Postaudits and examinations, conducted by the Auditor upon departments, offices and agencies of the State, are necessary to eliminate unauthorized, illegal, irregular, improper, or unsafe handling or expenditure of state funds, or other improper practices of financial administration. Your Committee finds that the establishment of a program to monitor the compliance of the recommendations resulting from the postaudits will aid in maintaining the integrity of these state entities.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3669 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Apo, Say and Souki.

**SCRep. 150-94 Education on H.B. No. 2962**

The purpose of this bill is to transfer authority to the Department of Education over classification, recruitment, and appointment of educational assistants and related types of employees. The Department of Personnel Services currently has jurisdiction over these employees. The bill also creates a new classification designated as an Education Paraprofessional into which these employees would be placed. Incentives are offered to the paraprofessional for continued education and training.

Testimony in support of this measure was received from the Department of Education, Hawaii State Teachers Association, HGEA-AFSCME, and the Educational Assistants' Association.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2962 and recommends that it pass Second Reading and be referred to the Committee on Labor and Public Employment.

Signed by all members of the Committee except Representatives Apo, Arakaki, Hagino, M. Ige, Lee and Taniguchi.

**SCRep. 151-94 Education on H.B. No. 2992**

This bill, as received by your Committee, amends the Hawaii Revised Statutes (HRS) by imposing a temporary half percent educational excise tax surcharge on all gross proceeds and gross income taxable under HRS chapters 237 and 238. The surcharge would take effect beginning January 1, 1995 and would cease on December 31, 1997. The amounts collected from this surcharge would be deposited into the state educational facilities fund.

The bill also provides for a referendum to be placed on the November 1994 ballot asking whether or not this temporary surcharge should take effect.

Your Committee has amended this bill by changing the effective and termination dates of the surcharge to January 1, 1996 and December 31, 1998, respectively, and by making technical, non-substantive changes for the purposes of consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2992, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2992, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Apo, Hagino, M. Ige, Lee and Taniguchi. (Representatives Isbell, Shon and Stegmaier voted no.)

**SCRep. 152-94 Education on H.B. No. 3400**

The purpose of this bill is to state that the final report on performance standards adopted by the Hawaii State Commission on Performance Standards shall be the final standard for Hawaii's public schools.

Testifiers stated that there was some confusion as to whether the standards developed by the Commission were final or merely recommended. This bill clarifies the intent of the Legislature to have the Commission set statewide standards for student achievement in public schools.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3400 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Apo, Hagino, M. Ige, Lee and Taniguchi.

**SCRep. 153-94 Energy and Environmental Protection on H.B. No. 2633**

The purpose of this bill is to provide tax credits for residential solar wind energy systems and photovoltaic systems.

Testimony was submitted from the Department of Business, Economic Development and Tourism in strong support of this bill, although they deferred to the Department of Taxation for revenue implications. The Department of Taxation expressed opposition to the bill on the grounds that a new, separate category for photovoltaic systems is unnecessary since this type of system would currently qualify for the energy conservation income tax credit.

Other testimony in favor of the bill was submitted by the County of Kauai, Hawaii Solar Energy Association, the Sierra Club, Inter-Island Solar Supply, the Puna Community Council, Big Island Electric Vehicle Association, and Life of the Land.

Your Committee feels strongly that support of renewable energy use is essential to reduce reliance on imported fuels. Your Committee further believes that renewable energy will not be able to reach the level of utilization needed to achieve this goal unless its use is actively promoted through tax credits or other incentives.

Your Committee unanimously agreed to pass HB 2633 with only technical, non-substantive changes.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2633, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2633, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hiraki and Takamine.

**SCRep. 154-94 Energy and Environmental Protection on H.B. No. 3254**

The purpose of this bill is to appropriate \$450,000 to perform and design an environmental assessment for dredging of the Ala Wai Canal.

Testimony in support of this bill was submitted by:

- (1) The Chamber of Commerce of Hawaii;
- (2) The Hawaii Hotel Association;
- (3) The Waikiki Improvement Association;
- (4) The City and County Office of Waikiki Development; and
- (5) The Waikiki Residents Association.

Although supporting the intent of this measure, the Department of Land and Natural Resources testified that it could not support the bill at this time because of budget priorities.

Your Committee notes that dredging of the Ala Wai Canal is a necessary component of the recommendations of the consultant study to clean up and improve the water quality of the canal. Unless the dredging is completed, flushing action will not be sufficient to achieve the clarity or quality of water that is desired and necessary to reduce the public health risks of the canal.

Accordingly, your Committee voted unanimously to pass the bill, unamended.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3254 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hirono.

**SCRep. 155-94 Health and Human Services on H.B. No. 3667**

The purpose of this bill is to establish within the Department of Education, in collaboration with the Department of Health and the Department of Human Services, a community-based pilot project for pregnant and parenting teens, and teens at high risk for pregnancy.

Various groups supporting the intent of the bill included the Department of Human Services, the Department of Education, the Hawaii Commission on the Status of Women, the Hawaii Community Services Council, Healthy Mothers' Healthy Babies and numerous individuals representing themselves or their affiliated group.

Your Committees acknowledge that there is a widespread problem of teen pregnancy in Hawaii. It is noted by your Committees that many girls who give birth are in the 13-19 age group and that this number continues to increase. Further, it is recognized by your Committees that many of these pregnant teens do not finish high school and are forced to enroll in welfare programs which causes a financial burden to the community. Your Committees hope that by implementing a pilot project such as this, this cycle of poverty can be broken.

Accordingly, your Committees have amended this measure by:

- (1) Deleting statistical language regarding the percentage of teen mothers who do not finish school.
- (2) Adding language that includes parents as part of the collaborative group.
- (3) Including language that would allow the project to be expanded to school complexes other than the two officially stated in the bill.
- (4) Removing appropriations from the bill and incorporating language which suggested areas that the Department of Education may use, regarding funding, to carry out the purposes of this Act.
- (5) Other technical, non-substantive amendments were made for the purposes of clarity and style.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 3667, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 3667, H.D. 1, and be referred to the Committee on Education.

Signed by all members of the Committees except Representatives Peters and Tanimoto.

**SCRep. 156-94 Health and Human Services on H.B. No. 3632**

The purpose of this bill is to require the Department of Health to adopt rules relating to the establishment and licensing of programs for the care of children who are medically fragile and technology-dependent in home-like settings.

Testimonies supporting the intent of this bill were received from the State Planning Council on Developmental Disabilities, the Office of Children and Youth, the Department of Health, and Kapiolani Medical Center.

Your Committees note that although many advances have been made in the field of pediatric medicine, many children who are medically fragile still need to be cared for and monitored on a 24 hour basis. It is felt by your Committees that a hospital is not a home and that when there is technological means, a child deserves to be in a home or home-like setting. In this respect, care and monitoring could be given and the patient could be around family and loved ones which would be a tremendous asset to both the child and the family.

Upon further consideration, your Committees have amended this bill by:

- (1) Deleting language in order that flexibility may be given regarding the level of care needed by some children.
- (2) Adding language that would provide services in a home-like setting
- (3) Adding language to develop rules for transitional programs
- (4) Adding language stipulating the effective date of completion of the rules and implementation of the plan.
- (5) Other technical, non-substantive amendments were made for the purposes of clarity and style.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 3632, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 3632, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Peters and Tanimoto.

**SCRep. 157-94 Hawaiian Affairs on H.B. No. 2799**

The purposes of this bill are to:

- (1) Ensure that the annual salaries of the members of the Board of Trustees of the Office of Hawaiian Affairs (OHA) shall be equally shared by general revenues and by OHA's pro rata share of the revenues generated by the public land trust; and
- (2) Provide Board members with the option of participating in the State employees' retirement plan.

First, Act 358, Session Laws of Hawaii 1993, provided the Board members with an annual salary. Section 4 appropriated general revenues for these salaries, provided that the sums be matched by funds derived from OHA. However, Section 10-9(1)(A), Hawaii Revised Statutes (HRS), states that these salaries shall be paid exclusively from revenues under Section 10-13.5, HRS. This bill would correct the technical error in Section 10-9(1)(A), HRS.

Second, this bill would add a new section to Chapter 88, HRS, relating to pension and retirement systems of public officers and employees, that sets forth the procedure for a Board member to claim prior service credit for all service rendered subsequent to November, 1980.

OHA testified in support of this measure. Ka Lahui Hawaii, Ka Lahui Hawaii Political Action Committee, and the Honolulu District of Ka Lahui Hawaii opposed this bill.

Your Committee has amended this bill by correcting a typographical error on page 1, line 14, to read "chapter 88" instead of "chapter 8".

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2799, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2799, H.D. 1, and be referred to the Committee on Labor and Public Employment.

Signed by all members of the Committee except Representative Ihara.

**SCRep. 158-94 Hawaiian Affairs on H.B. No. 3033**

The purpose of this bill is to ensure that revenue entitlements received by the Department of Hawaiian Home Lands (DHHL) and the Office of Hawaiian Affairs (OHA) during the disposition of certain public lands be based on consistent appraisal standard. This bill amends Section 171-95 (a), Hawaii Revised Statutes (HRS), by requiring that:

- (1) Any disposition of public lands to government agencies and public utilities that entails the payment of such revenue entitlements be based on the value of the land as determined by a disinterested appraiser or appraisers;
- (2) DHHL and OHA be involved in the selection of the appraiser, appraiser instructions, and review of the appraisal report; and
- (3) The value of the land be based on its market value subsequent to the project being initiated.

DHHL testified in support of this measure with certain revisions. It pointed out that a 1991 Auditor study also recommended that Section 171-95 (a), HRS, be amended to require the Board of Land and Natural Resources to appraise all public lands before disposition to government agencies by using consistent appraisal standards.

The Department of Land and Natural Resources, Ka Lahui Hawaii, Ka Lahui Hawaii Political Action Committee, and the Honolulu District of Ka Lahui Hawaii opposed this bill.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3033 and recommends that it pass Second Reading and be referred to the Committee on Water and Land Use Planning.

Signed by all members of the Committee except Representative Lee.

**SCRep. 159-94 Hawaiian Affairs on H.B. No. 3152**

The purpose of this bill is to expedite the appraisal process and provide flexibility in the manner by which appraisals of improvements and growing crops and stock, if any, are to be when homestead leases are surrendered, cancelled, or disposed following a lessee's death.

Your Committee heard testimony in favor of the bill from the Department of Hawaiian Home Lands, Ka Lahui Hawaii, Ka Lahui Hawaii Political Action Committee and the Honolulu District of Ka Lahui Hawaii and other concerned citizens.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3152 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Apo and Lee.

**SCRep. 160-94 Hawaiian Affairs on H.B. No. 2674**

The purpose of this bill is to clarify that the salaries of the Office of Hawaiian Affairs (OHA) trustees be paid equally by OHA and the State of Hawaii, instead of exclusively from OHA revenues.

OHA supported this bill and recommended that the proposed amendments, which would include OHA trustees in the State retirement program be deleted (page two, lines 11 and 12). This deletion would avoid duplicating the same amendments already contained in H.B. 2799.

Favorable testimony was provided by Ka Lahui Hawaii, Ka Lahui Hawaii Political Action Committee and the Honolulu District of Ka Lahui Hawaii and other concerned citizens.

In light of the OHA testimony, your Committee has amended this bill by deleting the proposed amendments on page two, lines 11 and 12.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2674, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2674 H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Ihara.

**SCRep. 161-94 Intergovernmental Relations and International Affairs and Transportation on H.B. No. 172**

The purpose of this bill is to establish an on-line computer network and data base for the purpose of verifying whether a vehicle has a current no-fault insurance policy prior to registration, renewal, or transfer of the vehicle.

Testimony in support of this measure was received from the State Insurance Commissioner, the City and County of Honolulu, the Chamber of Commerce of Hawaii, the Hawaii Independent Insurance Agents Association, the Hawaii Insurers Council, the Hawaii Transportation Association and the Hawaii Academy of Plaintiff Attorneys.

Current estimates place the percentage of uninsured vehicles as high as twenty-five percent. In order to address the ongoing problem of uninsured motorists, your Committees find that an on-line database network established by the City and County of Honolulu will allow for the individual County Directors of Finance to verify the existence of a vehicle's insurance prior to any registration, renewal of registration, or transfer of registration of any vehicle. The data base will

also be made available to the police departments of the respective counties for enforcement purposes, further strengthening the process of identifying uninsured vehicles.

While a similar bill was previously vetoed by the Governor in 1992 for lack of appropriate funding, sufficient federal funds have been identified and will be available in 1996.

The City and County of Honolulu testified that the \$100 penalty assessed to a registered owner for not having insurance at the time of registration, renewal, or transfer is not enforceable and recommended that it be deleted. In addition, the City and County stated a preference for an immediate on-line update of the data base by insurers, but given the time constraints that would be placed on the insurers, it was agreed that a two-business-day time limit would be reasonable.

Questions were raised as to the necessity of making the data base available for public inspection. The Insurance Commissioner testified that it is unhighly likely that the data base would contain information that would be pertinent or useful to an individual.

After free and open discussion, your Committees have amended this bill by:

- (1) Allowing the County Director of Finance to not register, renew, or transfer the registration of a vehicle if the director is unable to verify insurance information from the data base;
- (2) Deleting the requirement that insurers input the no-fault insurance policy number;
- (3) Changing the required number of days in which an insurer must input the information in the data base from within five days to within two days of commencement of coverage;
- (4) Deleting the provision that the data base be made available for public inspection;
- (5) Changing the method of funding in section 3 from general revenues to the Intermodal Surface Transportation Efficiency Act of 1991, 23 U.S.C. Section 402;
- (6) Changing the expending agency to the Department of Transportation; and
- (7) Providing that the measure take effect on October 1, 1996.

As affirmed by the records of votes of the members of your Committees on Intergovernmental Relations and International Affairs and Transportation that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 172, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 172, H.D. 1, and be referred to the Committees on Consumer Protection and Commerce and Judiciary.

Signed by all members of the Committees except Representatives Alcon, Hagino and Yonamine.

**SCRep. 162-94 Energy and Environmental Protection on H.B. No. 2636**

The purpose of this bill as received by your Committee is to enable the State to better manage and protect Hawaii's energy resources and physical environment in a manner that ensures the health, safety, and welfare of the citizens of Hawaii, and preserve the State's limited natural resources for future generations.

This bill proposes to accomplish this by:

- (1) Developing a Recycled Product Procurement Program that will require state purchasing agencies and urge county purchasing agencies to:
  - (A) Apply preference to the purchase of products with recycled content before purchasing products without any recycled content from out-of-state sources; and
  - (B) Assure, to the maximum extent economically feasible, the purchase of materials that may be recycled or reused when discarded;
- (2) Requiring state purchasing agencies and urging county purchasing agencies to purchase only office paper and printed material with recycled content, except under certain circumstances; and
- (3) Requiring the Office of Solid Waste Management, in coordination with the Procurement Policy Office, to ensure that all state and county purchasing agencies are provided with the information and technical assistance necessary to procure goods with recycled contents.

Your Committee believes that this bill would also increase the production of recycled goods. As demand for recycled goods increases, recycling itself is expected to increase, thereby saving energy, water, landfill space, and other natural resources.

Testimony in support of this bill was submitted by:

- (1) The Department of Accounting and General Services (DAGS);
- (2) The Department of Business, Economic Development, and Tourism;

- (3) The Department of Public Works of the County of Hawaii;
- (4) The Sierra Club, Hawaii Chapter;
- (5) The Environmental Center; and
- (6) Life of the Land.

Although supporting the intent of this bill, DAGS recommended that several revisions be made to conform the bill to the State's Procurement Code.

After free and open discussion, your Committee has amended this bill by:

- (1) Making the revisions recommended by DAGS, to conform the bill to the State's Procurement Code; and
- (2) Making technical, nonsubstantive revisions for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2636, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2636, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hiraki and Takamine.

**SCRep. 163-94            Energy and Environmental Protection on H.B. No. 2648**

The purpose of this bill is to amend Section 344-3, Hawaii Revised Statutes, to promote environmental education initiatives and programs within the state that will result in environmentally literate citizens. Such initiatives are to include:

- (1) The support and development of cooperative environmental education programs with the private sector;
- (2) Development and implementation of a statewide plan for environmental education;
- (3) Support and development of a statewide database on environmental education programs, services, and curricula;
- (4) Required teacher training in environmental education for certification as well as for in-service teachers; and
- (5) Establishment of a post secondary environmental education and training program to provide qualified personnel.

Testimony was heard from 13 individuals and organizations voicing their unanimous support for HB 2648, including representatives from:

- (1) The Department of Health;
- (2) The Department of Public Works;
- (3) The Hawaii Nature Center;
- (4) The University of Hawaii's Environmental Center;
- (5) Atlantis Submarines Hawaii, L.P.;
- (6) The Recycling Association of Hawaii;
- (7) The Harold K.L. Castle Foundation;
- (8) Hawaii Association of Conservation Districts;
- (9) Creative Environmental Communications;
- (10) The American Lung Association; and
- (11) Pacific Whale Foundation.

The Department of Education supported the intent of the bill and agreed that a statewide plan for environmental education, as well as a supporting database, are essential to developing environmentally-literate citizens. However, they felt that requiring teacher training in environmental education for all prospective and in-service teachers (as outlined in Section 2, part 9-F) would result in scheduling and cost implications.

It is noted by your Committee that effective environmental education is critical if we are to expect to raise a generation of individuals who will respect and care for Hawaii's natural resources and physical environment. However, your

Committee respects the concerns of the Department of Education and has amended this bill by changing the requirements specified in the bill to recommendations in regard to teacher training and education.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2648, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2648, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takamine.

**SCRep. 164-94 Energy and Environmental Protection on H.B. No. 2647**

The purpose of this bill as received by your Committee is to establish a comprehensive, statewide Environmental Education Program (Program) to develop environmentally-literate citizens who will be prepared to solve existing environmental problems, prevent new problems, and maintain a sustainable environment for future generations.

The Program is intended to coordinate existing environmental education services, programs, and curricula. Your Committee believes that this will help prevent wasteful duplication of valuable resources.

This bill proposes to accomplish this by establishing an Environmental Education Council (Council), which will hire and advise an Environmental Education Coordinator (Coordinator) to develop an Environmental Education Clearinghouse.

Accordingly, your Committee acknowledges the fact that the State Constitution reflects the right of Hawaii's citizens to a clean and healthy environment. Your Committee is also aware of the State's responsibility for public education. The maintenance of environmental quality depends on a public with a basic understanding of ecological principles, an awareness of environmental issues, and an ability to access and utilize environmental education resources in order to solve existing environmental problems and prevent new ones from occurring. This bill puts in place a State program to educate citizens for the protection of the environment.

Hawaii could become the first state in the nation to support such a program that incorporates the knowledge and expertise of individuals from academic institutions, private business, nonprofit organizations, and government agencies.

Testimony in support of this bill was submitted by:

- (1) The Department of Public Works of the City and County of Honolulu;
- (2) The Hawaiian Electric Company, Inc.;
- (3) The Hawaii Nature Center;
- (4) The Harold K. L. Castle Foundation;
- (5) The University of Hawaii's Environmental Center;
- (6) Atlantis Submarines Hawaii, L.P.;
- (7) The American Lung Association of Hawaii;
- (8) The producer of KITV'S "Earth Day, Every Day";
- (9) Creative Environmental Communications;
- (10) The Department of Health;
- (11) Hawaii Association of Conservation Districts;
- (12) The Director of the Waikiki Aquarium;
- (13) A geologist who has worked as an environmental professional; and
- (14) A private citizen.

The Hawaii Nature Center expressed concerns about the size and composition of the proposed Council. The Environmental Center expressed concerns that the proposed Council may not be able to complete all of its tasks before its termination date.

Although supporting the intent of this bill, the Department of Land and Natural Resources testified that it could not support the bill at this time because the Department believes that certain provisions in the bill may reduce current priorities as indicated in the Executive Supplemental Budget.

The Hawaiian Sugar Planters' Association submitted testimony in opposition to this bill.

After free and open discussion, your Committee has amended this bill by:

- (1) Clarifying that there is to be not more than eighteen members on the Council;
- (2) Ensuring that the members of the Council have an existing involvement, interest, or association in environmental education;
- (3) Ensuring that the Coordinator has an existing involvement, interest, or association in environmental education;
- (4) Changing the termination dates of the Council and the Coordinator to June 31, 1995, to allow them more time to complete their tasks; and
- (5) Making technical, nonsubstantive revisions for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2647, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2647, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takamine.

**SCRep. 165-94 Energy and Environmental Protection on H.B. No. 2450**

The purpose of this bill is to appropriate funds to implement the recommendations of the West Maui Watershed Management Plan.

Testimony in support of the bill was received from the Maui County Council, an employee of the University of Hawaii Sea Grant Program, and the Department of Health.

The Department of Health testified that their support of the bill depended upon the appropriation of additional funds. The Department stressed that this project is a U.S. Environmental Protection Agency "model project" for watershed management. This means federal funding has and can be used to study the problems but cannot be used to implement the actual solutions. Therefore, state funding is essential to this project moving forward.

The recognition of the problem of non-point source pollution was emphasized by various members as well as frustration with the historical lack of funding within the Department of Health for this important problem.

Your Committee agreed unanimously to pass H.B. 2450 unamended.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2450 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hirono.

**SCRep. 166-94 Energy and Environmental Protection on H.B. No. 2919**

The purpose of this bill is to expand the scope of the pilot program to create and test a model of water quality surveying and sampling using volunteers to include Kailua Bay (Kona), Puako Bay and Reef, and Mahiula Bay on the island of Hawaii, in addition to Kailua and Waimanalo Bays on the island of Oahu. The bill requires the Department of Health to develop partnerships where feasible to share the costs of purchasing water sampling equipment within each respective community, in order to carry out the purposes of this Act on the islands of Oahu and Hawaii.

Testimony was heard from 10 individuals and organizations voicing their unanimous support of the bill, including representatives from:

- (1) AECOS Laboratory of Hawaii;
- (2) Sierra Club, Hawaii Chapter;
- (3) The Natural Resources Defense Council;
- (4) The Oceans of Hawaii organization;
- (5) Hawaii's Thousand Friends;
- (6) West Hawaii Sierra Club Group;
- (7) Public Access Shoreline Hawaii;
- (8) The Ocean Recreation Council of Hawaii;
- (9) Save Our Bays and Beaches; and
- (10) U.H. Sea Grant Extension Service.

The Department of Health (DOH) supported the intent of the bill and acknowledged the need for expanding this program or similar programs to other communities throughout the State. The DOH feels, however, that the process of development of the program requires a greater commitment of resources and additional staff.

Several testimonies mentioned the impressive voluntary efforts by a number of public schools in this project and noted the intent of many other schools to join and to expand on the kinds of efforts embodied in this bill.

Your Committee recognized and congratulated many of the educational group's invaluable efforts and the supportive impetus the Department of Health has provided. Your Committee and the involved parties all agreed the educational efforts thus far have been outstanding and remarkably successful.

Your Committee agreed to unanimously pass HB 2919 with non-substantive, technical amendments.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2919, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2919, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hirono.

**SCRep. 167-94 Energy and Environmental Protection on H.B. No. 2630**

The purpose of this bill is to provide financial incentives to state agencies for energy savings projects.

Supporting testimony on behalf of H.B. 2630 was received from:

- (1) The Department of Business, Economic Development, and Tourism (DBEDT);
- (2) The Department of Accounting and General Services (DAGS);
- (3) The County of Kauai, Energy Coordinator;
- (4) The Puna Community Council;
- (5) Hawaii Electric Company;
- (6) The Life of the Land; and
- (7) The Big Island Electric Vehicle Association.

Testimony from the Department of Accounting and General Services approved of the DBEDT being the lead agency on this initiative and the DAGS deferred to the DBEDT's judgment on the bill. Nevertheless, the testimony from the DAGS did contain some concerns about the ability to accurately measure energy cost savings and the concept of a revolving fund to finance energy conservation programs. The testimony from the Department of Business, Economic Development, and Tourism acknowledged that the intent of the bill was consistent with its energy savings policies, but it expressed the view that the implementation of the bill would require additional staff and funding.

Your Committee believes that energy conservation measures are vital for reducing Hawaii's dependence on imported fossil fuels and that the State government should take the lead in conservation efforts to set an example for the private sector. Your Committee strongly believes that this bill will help to achieve these ends, while simultaneously reducing government costs.

Accordingly, your Committee voted unanimously to pass H.B. 2630 with only technical, non-substantive amendments.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2630, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2630, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hiraki and Takamine.

**SCRep. 168-94 Energy and Environmental Protection on H.B. No. 2640**

The purpose of this bill is to define "hazardous waste brokers." It requires brokers to apply for an identification number and file with the Department of Health a notification including the location and general description of the hazardous waste handling activity.

Testimony in support of this bill was received from:

- (1) Unitek Environmental Services;
- (2) Goodsill, Anderson, Quinn & Stifel;

- (3) the Department of Health; and
- (4) the Sierra Club.

The Department of Health's testimony requested amendments to the bill including a more concise definition of hazardous waste brokers.

Testimony was also received from the Environmental Compliance Services (ECS), and TRIOD Promotions Inc., both of which opposed the bill as written. The ECS testified that the bill was unnecessary since Hawaii does not have any "hazardous waste brokers" that meet the definition in the bill, while TRIOD felt that the bill would unduly burden their company. Your Committee believes the modification to the definition of "hazardous waste broker" contained in the HD 1 addresses both their issues.

Your Committee unanimously agreed to pass HB 2640 with amendments to incorporate the Department of Health's expanded definition of "hazardous waste brokers" as well as technical non-substantive changes.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2640, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2640, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representatives Hiraki, Hirono and Takamine.

**SCRep. 169-94 Energy and Environmental Protection on H.B. No. 2629**

The purpose of this bill is to establish, in place of the energy resource coordinator, a full-time, Hawaii Energy Resources Conservation and Development Commission to be composed of five members appointed by the Governor and responsible for:

- (1) Conducting energy planning and policy development;
- (2) Establishing priorities for and overseeing energy research and development programs; and
- (3) Working to improve the efficiency of and facilitating the permitting process without compromising environmental and other standards.

Testimony on H.B. 2629 was received from the Department of Land and Natural Resources (DLNR), The Department of Business, Economic Development, and Tourism (DBEDT), the University of Hawaii Environmental Center, the Green Party, Life of the Land, the Hawaiian Electric Company and others.

The testimony of the Life of the Land, the Green Party and the Environmental Center emphasized that the bill, as the product of the Environmental Summit process, represented the collaborative efforts of the diverse groups of people who had worked together for over six months. Testimony from the Green Party pointed to California as an example of the success of such a state commission, as the best means for addressing energy concerns. Recognizing the difficulty in establishing a new government agency, the Green Party suggested in its testimony that a transition committee might be established to ease the development of the commission.

The Department of Land and Natural Resources suggested in its testimony that the Commission be established in DBEDT rather than DLNR and deferred to DEBDT's expertise. The Department of Business, Economic Development, and Tourism testified that it did not believe there was a need for the commission. The Hawaiian Electric Company also failed to see a need for the commission.

Your Committee recognizes the critical need to establish strong energy and environmental policy and considers the intent of this bill to represent a landmark step towards establishing a consistent and comprehensive energy and environmental plan for the State.

Accordingly, your Committee decided to express their strong support and mandate for the establishment of this Commission by unanimously passing the bill with only technical, non-substantive amendments.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2629, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2629, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hiraki, Hirono and Takamine.

**SCRep. 170-94 Health on H.B. No. 3324**

The purpose of this bill is to make the provisions of the pilot autonomy program permanent for Hilo and Maui Memorial Hospitals.

In its testimony, the Department of Health strongly supported this bill.

It is recognized by your Committee that the pilot autonomy program has provided significant benefits to both Hilo Hospital and Maui Memorial Hospital. It is recognized by your Committee that autonomy is a proven means of improving management of the community hospitals. Further, your Committee feels that the program, which has been in effect at these two facilities since 1990, should be made permanent. However, your Committee does have some concerns with language in the bill regarding the exemption from competitive bidding.

Accordingly, your Committee has amended this bill by replacing language that exempted certain community hospitals from the bidding process and replaced this language with wording that included all community hospitals in the bidding process.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3324, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3324, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki, Kawakami and Tanimoto.

**SCRep. 171-94            Health on H.B. No. 3442**

The purpose of this bill is to increase the appropriation of SUB 601, Private Hospitals and Medical Services, for the Hamakua Medical Center.

Proponents of this proposition included the Department of Health, the Hawaii State Primary Care Association, the County Council of Hawaii, the International Longshoremen and Warehousemen Union, the Diocese of Honolulu-Hawaii Island Social Ministry Office, and numerous people from the Big Island community.

Your Committee realizes that plantations are a way of life for the people of Hamakua and that the closures of various plantations along this coast brings, and will continually bring, extensive hardship to all who live in the County of Hawaii. Compounding this problem, many residents of Hamakua no longer receive health insurance through the Hamakua Sugar Company as they previously did. Your Committee also realizes that the Hamakua Health Center is in grave danger of closing and that this closure would mean that the health and welfare of the community would be jeopardized.

Accordingly, your Committee has decided to amend this bill by:

- (1)        Appropriating the amount of \$1 for the purposes of further discussion
- (2)        Adding a new section to the bill which stipulates that any monies recovered by the Hamakua Sugar Company that would be allocated to the Hamakua Medical Center shall revert back to the State
- (3)        Other technical, non-substantive amendments were made for the purposes of clarity and style

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3442, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3442, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki, Kawakami and Tanimoto.

**SCRep. 172-94            Health on H.B. No. 3044**

The purpose of this bill is to create a new Office of Minority Health within the Department of Health and transfers the functions of the Bilingual Health Education Aide Program, Office of Refugee and Immigrant Health, Office of Hawaiian Health, and Affirmative Action Office to this newly created office. All appropriations, equipment and personnel associated to these programs are also transferred to the Office of Minority Health.

Testimony received by Catholic Charities of the Diocese of Honolulu supported passage of this measure. While the Department of Health found the idea of creating an Office of Minority Health to be an interesting concept, they felt that it would be ill advised at this time. This was due to the fact that if this action were undertaken without good planning and fiscal support, diffusion of current efforts would occur and may actually detract from the department's ability to meet the identified needs of Hawaii's minorities.

However, the Office of Hawaiian Affairs, Papa Ola Lokahi, the Council of Hawaiian Organizations, Na Koa Ikaika, the Association of Hawaiian Civic Clubs, and Board of Health submitted testimonies opposed to the passage of this bill. They felt that this bill, through its incorporation of the Office of Hawaiian Health, would cause a decrease in available services for people of Hawaiian ancestry.

Your Committee notes that several programs already in operation within the Department of Health are designed to address the diverse needs of the minority and underserved populations throughout the State of Hawaii. However, it is felt by your Committee that through consolidation of these services, coordination would be improved and efficiency increased. Your Committee also realizes that Hawaiian health is a very important issue and wishes to insure the continuing strategic plans of advocacy, monitoring, review and inventory, and coordination of existing health services for Hawaiians.

Accordingly, your Committee has amended this bill by:

- (1) Including the transfer of personnel from the Bilingual Health Education Aide Program, Office of Refugee and Immigrant Health, and Affirmative Action Office of the Department of Health to the new Office of Minority Health
- (2) Removing language which incorporated the Office of Hawaiian Health into the new Office of Minority Health
- (3) Adding a new section that establishes an Office of Hawaiian Health under the direction of the Director of Health and allows for the transfer of personnel to this office
- (4) Other technical, non-substantive amendments were made for the purposes of clarity and style

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3044, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3044, H.D. 1, and be referred to the Committee on Labor and Public Employment.

Signed by all members of the Committee except Representative Arakaki.

**SCRep. 173-94 Health on H.B. No. 3326**

The purpose of this bill is to expand the Community Hospitals' Division's Pilot Autonomy Project to include the rural hospitals and Division Office.

Testimony received by the Department of Health strongly supported this measure.

Your Committee notes that since its inception in 1990, the pilot autonomy program has provided significant benefits to the community hospitals. Autonomy has been proven to be a means of improving management of the community hospitals. Seeing that the pilot project has demonstrated positive benefits to the operating efficiency and financial performance of the hospitals, your Committee feels that the project should apply to all the community hospitals. In addition, the Committee would like to commend the Community Hospitals Division for doing such a fine job with the community hospitals.

After careful consideration, your Committee has amended this bill by adding language that stipulated to what extent the division administrative office should be autonomously operated.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3326, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3326, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki, Kawakami and Tanimoto.

**SCRep. 174-94 Health on H.B. No. 3328**

The purpose of this bill is to increase Maui Memorial and Hilo Hospitals' special fund ceiling to enable them to reimburse contractors for various ancillary services.

Testimony in support of this bill was received from the Department of Health.

Your Committee recognizes that the Division of Community Hospitals has recently sought formal proposals for laboratory, radiology, emergency, and anesthesiology services and that contracts for all these services, except laboratory services, have been awarded. It was noted by your Committee that in the past, these contracts allowed the contractor to bill for services provided to all patients other than Medicaid and Medicare patients. Your Committee believes that this new fee structure will allow hospitals to have better control of costs and reimbursements in the future.

Accordingly, your Committee has amended this bill by deleting the appropriation amounts listed and inserting \$1 for both Hilo Hospital and Maui Memorial Hospital for the purposes of further discussion.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3328, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3328, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki, Kawakami and Tanimoto.

**SCRep. 175-94 Health on H.B. No. 3441**

The purpose of this bill is to enable the Department of Health to attract and recruit highly skilled and experienced individuals into key positions within the Hawaii State Hospital and Community Mental Health Centers.

Your Committee received testimonies in support of this measure from the Department of Health and the Hawaii Medical Association.

Your Committee appreciates the fact that the Adult Mental Health Division of the Department of Health is in pursuit of national accreditation of the Hawaii State Hospital by the Joint Commission on Accreditation of Healthcare Organizations and of the eight community mental health centers by the Commission on Accreditation of Rehabilitation Facilities. It is also acknowledged by your Committee that achieving this accreditation, as well as its maintenance, will require personnel with highly specialized experience and training. Your Committee also realizes that many of these positions are hard to fill in light of the State's salary schedule.

Accordingly, your Committee has amended this bill by deleting language that would exempt the administrators of the eight community mental health centers from civil service requirements.

Your Committee felt that the positions below the administrators could be trained to replace these administrators should they fail to achieve civil service status.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3441, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3441, H.D. 1, and be referred to the Committee on Labor and Public Employment.

Signed by all members of the Committee except Representative Tanimoto.

**SCRep. 176-94            Health on H.B. No. 2553**

The purpose of this bill is to authorize the Department of Health to adopt rules, regulations, and protocols allowing adult persons to make a written declaration instructing the person's physician, or health care provider under a physician's order, to provide, continue, withhold, or withdraw life sustaining procedures.

Testimonies in support of the intent of this measure were received from the American College of Emergency Physicians, the Hawaii Fire Chiefs Association, and the Department of Health.

The Hawaii Right to Life opposed the idea because they felt that the decision to withhold life-sustaining procedures should not be left up to the discretion of Mobile Intensive Care Technicians or Emergency Medical Technicians.

It was understood by your Committee that currently, under the 911 system, a paramedic has a duty to respond. This duty calls for everything possible to be done to continue life. Even if a living will is present, the paramedic cannot honor such a document. Realizing that this caused tremendous pain, not only to the patient and family but to the paramedics themselves, your Committee felt that they should pass this measure.

However, your Committee feels that these policies should be contained in the Emergency Medical Services Statutes (Chapter 321, HRS) rather than the Living Will Statutes (Chapter 327D, HRS).

Accordingly, your Committee has amended this bill by taking the proposed new language and placing this language into the Emergency Medical Services Statutes rather than the Living Will Statutes. The definitions of CPR and first responder personnel were also amended to reflect updated versions of these items.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2553, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2553, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Arakaki.

**SCRep. 177-94            Health on H.B. No. 3456**

The purpose of this bill is to implement exemptions that were identified during the autonomy pilot project as impediments to autonomous operation through statute.

Strong support of this bill was received from the Department of Health in written testimony. However, the Department of Health did have some concerns regarding fluctuating hospital costs.

Your Committee notes that this bill provides a series of targeted solutions to meet specific management needs at the Community Hospitals. It is believed that by implementing these solutions, the health care of the people of Hawaii would be greatly improved.

Accordingly, your Committee has taken into consideration the Department of Health's concerns regarding the fluctuation of hospital costs. Therefore, your Committee has amended this bill by including language that would allow the Department of Health to increase or decrease its rates by no more than five percent per year without a public hearing.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3456, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3456, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki, Kawakami and Tanimoto.

**SCRep. 178-94            Ocean Recreation and Marine Resources on H.B. No. 3170**

The purpose of this bill, as received by our Committee, is to amend section 200-16, Hawaii Revised Statutes, to lengthen the time which the Department of Land and Natural Resources, DLNR, has to hold a hearing when the owner of an impounded vessel contests the basis for such impoundment, and to specify actions which may be taken when an impounded vessel remains unclaimed.

Your Committee on Ocean Recreation and Marine Resources finds that mooring of unauthorized vessels in state small boat harbors and offshore mooring areas and abandonment have become problems. The requirement for a use permit, and even the notice to remove a vessel which is in violation of the law, are often ignored.

Your Committee also finds that the owners or operators of vessels may contest the basis given for the impoundment of a vessel. In the present law, the hearing on a contested impoundment must be held within seventy-two hours.

Your Committee recognizes that there are no procedures in the law for disposal of impounded vessels which remain unclaimed. The DLNR needs a legal means for such disposals.

This bill lengthens the time for scheduling a hearing, when the recipient of a notice of impoundment contests the basis for the impoundment and requests a hearing, from seventy-two hours to five working days.

Two new subsections are added to the present law. Subsection (e) authorizes the DLNR to dispose of unclaimed vessels which have been impounded through public auction. Should disposal through public auction not be successful, unclaimed vessels may be sold through negotiation, disposed of as junk, retained and utilized, or donated to any other government agency. When vessels are appraised for less than \$250, public auctions shall not be required.

Your Committee has further amended this bill by amending Subsection 200-13(c), HRS, to decrease the number of inspectors from the Arbitration Board of Marine Inspectors from a total of three persons and the original inspector to a total of two persons and the original inspector.

Testimonies in support of this bill were heard from the Department of Land and Natural Resources, The Ocean Recreation Council of Hawaii, (TORCH), and an interested citizen.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3170, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3170, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Tajiri and Thielen.

**SCRep. 179-94 Labor and Public Employment on H.B. No. 2585**

The purpose of the Act is to effectuate the title of this Act.

H.B. No. 2585 was introduced as a short-form bill, which is sometimes referred to as a "vehicle" bill primarily used to introduce a bill containing only a general idea as to the purpose of the bill without specific details in long form. Your Committee has amended the bill to provide the substantive contents of the bill in long form so that a public hearing may be properly held on its substantive contents.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the action to report out H.B. No. 2585, as amended herein, and recommends that it be recommitted to the Committee on Labor and Public Employment, for the purpose of holding a public hearing thereon, in the form attached hereto as H.B. No. 2585, H.D. 1.

Signed by all members of the Committee.

**SCRep. 180-94 Higher Education and the Arts on H.B. No. 3196**

The purpose of this bill is to clarify the authority of the Board of Regents in imposing fines for violations of the University's parking rules and regulations.

Testimony in support of this bill was heard from the University of Hawaii.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3196 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Duldulao and M. Ige.  
(Representative Shon voted no.)

**SCRep. 181-94 Water and Land Use Planning on H.B. No. 2920**

The purpose of this bill is to ensure that certain farmers can continue their agricultural operations on State lands. This bill allows the Board of Land and Natural Resources (BLNR), when setting rents for agricultural leases, to consider the relevant agricultural use of leased land to:

- (1) Promote the continued viability of agricultural pursuits;
- (2) Foster the proliferation of new and existing agricultural activities; and
- (3) Provide a reasonable return on leased land.

This bill also requires the BLNR to adopt rules pertaining to the determination of rent of such leases.

The Hawaii Farm Bureau strongly supported this bill. According to the Bureau, various farmers reported that BLNR's proposed lease rates were very substantial and would make it difficult for some of them to operate profitably. It contended that because agricultural use is a distinct type of use, it should not be evaluated in the same way as industrial or commercial uses whose lease rates are set to maximize returns to the State. Three farmers also supported passage of this bill.

In opposing this measure, the Department of Land and Natural Resources (DLNR) testified that the current appraisal methodology bases lease rental on the agricultural use of the land, using comparable agricultural lease rents and the income approach. It does not base lease rentals on fee simple land transactions.

Finally, the Native Hawaiian Legal Corporation opposed this bill, because it would diminish the Office of Hawaiian Affairs' revenues from the Public Land Trust.

Your Committee sympathizes with the difficult position that the Legislature has placed DLNR by setting forth inconsistent policies. On the one hand, the Legislature instructs DLNR to set competitive lease rents so as to provide the State with reasonable revenues. At the same time, however, the Legislature continues to create special legislation to assist particular groups of State lessees. Ideally, the preferred route would be to take a broader view of this entire matter. Until then, however, the Legislature has to address the specific needs brought before it. And in this case, there is compelling reason to assist farmers who are having a difficult time paying the proposed lease rents.

As affirmed by the record of votes of the members of your Committee on Water and Land Use Planning that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2920 and recommends that it pass Second Reading and be referred to the Committee on Agriculture.

Signed by all members of the Committee except Representative Tajiri.

**SCRep. 182-94 Water and Land Use Planning on H.B. No. 2623**

The purpose of this bill is to allow under certain conditions a lessee of public lands with a lease period of less than 65 years from date originally entered into, to apply to the Board of Land and Natural Resources to extend the lease term to the extent necessary to qualify for a mortgage.

Your Committee received testimonies in support of this measure from the Department of Land and Natural Resources and several citizens.

As affirmed by the record of votes of the members of your Committee on Water and Land Use Planning that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2623 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kanoho and Tajiri.

**SCRep. 183-94 Water and Land Use Planning on H.B. No. 2917**

The purpose of this bill is to ensure the continuation of agricultural activities on certain lands by preserving and maintaining agricultural water systems in the State. Of immediate concern are two water systems, the Lower Hamakua Ditch on the island of Hawaii and the Waiahole Ditch on Oahu, that may be affected by the closure of sugar plantations. This bill seeks to protect these water systems by directing the Department of Agriculture to undertake transition planning for the orderly acquisition, administration, operation, and maintenance of these water systems when they become available.

The Department of Agriculture strongly supported this measure. It testified that this bill will enable the State to fill the need to deal with agricultural water systems being abandoned by these closures. Under Chapters 167 and 168, Hawaii Revised Statutes, the Board of Agriculture only has jurisdiction over irrigation projects; therefore, it currently lacks jurisdiction over agricultural water planning and development projects.

The Native Hawaiian Advisory Council opposed the bill, pointing out the need to first address a broad range of public policy issues. It also testified that the definition of "public purpose" lacks any reference to native Hawaiians.

In contemplating policy decisions with regard to this and other water management issues this session, your Committee is keenly aware of the on-going work of the Review Commission on the State Water Code. The Commission is mandated to conduct a comprehensive review of the State Water Code and is scheduled to submit its final recommendations to the 1995 Legislature. Nevertheless, your Committee recognizes the urgent need for the State to begin planning for the transition of all existing agricultural water systems. Moreover, the Legislature will have the opportunity to further review the merits of this legislation in future sessions when the Department of Agriculture requests legislative authorization to issue revenue bonds to finance the cost of acquiring and managing these water systems.

Upon further consideration, your Committee has amended the definition of "public purpose" (page two) to clarify that the stated purposes are for the benefit of all users.

As affirmed by the record of votes of the members of your Committee on Water and Land Use Planning that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2917, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2917, H.D. 1, and be referred to the Committee on Agriculture.

Signed by all members of the Committee except Representatives Kanohe and Tajiri.

**SCRep. 184-94            Judiciary on H.B. No. 3301**

The purpose of this bill is to provide the Department of the Attorney General, and the Department of Commerce and Consumer Affairs (DCCA) with greater flexibility in the hiring of personnel.

More specifically, this bill would:

- (1) Authorize the Attorney General to hire special deputies who may be compensated on a fixed price basis, an hourly rate basis, or, if appointed to represent the State in an action by or against the State, through a contingency fee arrangement; and
- (2) Allow the Commissioner of Securities and the Director of Consumer Protection, both of DCCA, to retain the services of the above-mentioned special deputies for the enforcement of the Uniform Securities Act, Chapter 485, Hawaii Revised Statutes (HRS), and Hawaii's consumer protection laws, respectively.

Supportive testimony was submitted by the Attorney General, the Office of Consumer Protection.

The Attorney General testified that a contingent fee arrangement, where the State would be responsible for court costs and share in the recovery, would not only save money in attorneys' fees, but also increase recoveries for the State, and enable the Department to pursue matters for which it presently does not have sufficient resources.

The Attorney General added that this bill would also allow the Department the flexibility to retain attorneys in a prudent manner for particularly complex or high stakes cases where the outcome is difficult to predict.

In addition, the Director of Consumer Protection testified that this bill would allow DCCA to expand its legal staffs without the expenditure of any funds, as well as increase the level of service to the public.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3301 and recommends that it pass Second Reading and be referred to the Committee on Labor and Public Employment.

Signed by all members of the Committee except Representatives Amaral, Hirono, Oshiro, Peters, Takamine and White.

**SCRep. 185-94            Judiciary on H.B. No. 2241**

The purpose of the bill, as received by your Committee, was to develop a "Most Wanted" poster program to publicize the name and picture of child support obligors in order to increase child support collections.

Testimony in support of the measure was received by your Committee from representatives of the State Attorney General, Hawaii State Commission of the Status of Women, Hawaii Advocates for Child Support Enforcement, Parents and Children Together, The Sex Abuse Treatment Center, Hawaii Lawyers Care and other organizations and individuals.

Your Committee finds that many absent parents intentionally evade their legal child support obligations, and that states which have involved the media in publicizing delinquent child support obligations through a "Most Wanted" poster program have reported an increase in child-support payment collections.

Your Committee believes that the Child Support Enforcement Agency should be authorized by statute to publicize the names and pictures of child support obligors who are a year or more behind in their payments, consistent with the due process rights of such obligors to notice and hearing in accordance with the current procedures at the Agency, so that the obligor has the opportunity to avoid being publicized by payment of the amount owed or by resolving the delinquency in some other manner.

Your Committee has amended the bill by substituting specific statutory authority for the current language in section 2 of the measure. Further, the purpose clause has been expanded to include the intention of the Legislature that the program provide opportunity to the debtor to avoid being publicized and that the Agency should establish a toll free telephone number. Eliminated from the bill is any request for an Auditor's report or for funding.

In addition, technical, nonsubstantive amendments were made for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2241, as amended herein, and recommends that it pass

Second Reading in the form attached hereto as H.B. No. 2241, H.D. 1, and be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representatives Hirono, Oshiro, Peters, Takamine and White.

**SCRep. 186-94 Water and Land Use Planning on H.B. No. 3172**

The purpose of this bill is to reorganize the Department of Land and Natural Resources with respect to the Land Fire Protection Law, and to change the penalty provisions for violations of chapter 185, Hawaii Revised Statutes (HRS).

Your Committee received testimony in support of this bill from the Department of Land and Natural Resources.

As affirmed by the record of votes of the members of your Committee on Water and Land Use Planning that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3172 and recommends that it pass Second Reading and be referred to the Committee on Labor and Public Employment and the Committee on Intergovernmental Relations and International Affairs.

Signed by all members of the Committee except Representatives Kanoho and Tajiri.

**SCRep. 187-94 Agriculture on H.B. No. 425**

The purpose of this bill is to direct the Department of Agriculture (DOA) and the Office of State Planning (OSP) to designate prime agricultural lands throughout the State to ensure their preservation and protection as required under the Constitution of the State of Hawaii.

Your Committee received testimony in support of the intent of the bill from DOA and OSP. Testimony was also received by the Land Use Research Foundation of Hawaii and the Hawaiian Sugar Planters' Association.

It is the intent of your Committee to emphasize the importance of protecting prime agricultural lands.

After extensive deliberation, your Committee amended the bill by:

- (1) Specifying that the prime agricultural lands are those lands as classified by the Land Study Bureau's detailed land classification as overall (master) productivity rating class A and B;
- (2) Requiring, rather than directing, DOA and OSP to designate prime agricultural lands as specified in the bill; and
- (3) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 425, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 425, H.D. 2, and be referred to the Committee on Water and Land Use Planning.

Signed by all members of the Committee except Representatives Ishii-Morikami and Tam.  
(Representative Marumoto voted no.)

**SCRep. 188-94 Education on H.B. No. 3046**

The purpose of this bill is to authorize the counties to assess and collect impact fees for public schools in areas affected by housing developments.

The Department of Education and a private citizen submitted testimony in support of this measure. The Hawaii State Teachers Association submitted testimony in support of the intent of this measure. The Office of State Planning stated in their testimony that although they support the legislative findings of this measure, some of the provisions of the bill may not be necessary since under existing statutes, capital improvements are defined broadly enough to cover public schools. The County Council for the County of Hawaii and the Land Use Research Foundation of Hawaii submitted testimony opposing this measure.

Upon careful consideration and after discussions with the Office of State Planning, your Committee has made extensive amendments to this bill by:

- (1) Deleting the new chapter entitled "Impact Fees for Public Schools";
- (2) Adding the authorization to impose impact fees for public schools into the appropriate statutory provisions relating to the county's powers to impose impact fees; and
- (3) Allowing the Department of Education to expedite the performance of work at the schools by deleting the Department of Accounting and General Services from the process.

Technical, nonsubstantive amendments have also been made for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3046, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3046, H.D. 1, and be referred to the Committee on Intergovernmental Relations and International Affairs.

Signed by all members of the Committee except Representatives M. Ige, Takumi, Taniguchi, Yonamine and Tanimoto.

**SCRep. 189-94 Energy and Environmental Protection and Water and Land Use Planning on H.B. No. 3643**

The purpose of this bill is to provide for an infrastructure that improves the planning and coordination of energy, transportation and land use policies in the State and promotes the use of renewable energy sources and alternative fuels. Specifically, the bill seeks to:

- (1) Promote the use of alternate fuels for motor vehicles to reduce reliance on fossil fuels;
- (2) Foster the use of alternate modes of transportation and transportation management strategies to reduce transportation energy consumption; and
- (3) Encourage land use policies which reduce dependency on the personal automobile for travel.

The bill proposes to accomplish this by:

- (1) Establishing an energy management effort within the Department of Business, Economic Development, and Tourism to:
  - (a) Provide technical assistance in projecting energy impacts of proposed land use and transportation system plans; and
  - (b) Coordinate land use and transportation planning processes in order to be able to assess and consider their energy impacts.
- (2) Establishing a Greenways Plan Steering Committee, administratively attached to the Department of Land and Natural Resources, to:
  - (a) Consist of representatives of various city and state agencies and other interested parties;
  - (b) Develop a statewide Greenways Master Plan incorporating existing and proposed nonmotorized transportation systems.
- (3) Appropriating \$100,000 to the Office of State Planning to sponsor and support:
  - (a) A statewide summit conference on planning energy-efficient sustainable communities for Hawaii; and
  - (b) A task force to plan the conference and assist in the implementation of its recommendations.

Your Committees received over a dozen written testimonies in support of the intent of H.B. 3643 from concerned citizens, and representatives of various organizations and government agencies, including:

- (1) The Office of State Planning (OSP);
- (2) The Department of Land and Natural Resources (DLNR);
- (3) The Department of Business, Economic Development, and Tourism (DBEDT);
- (4) The Department of Transportation (DTS);
- (5) The Department of Transportation Services of the City and County of Honolulu;
- (6) The Mayor's Bikeway Advisory Committee;
- (7) The Hawaii Bicycling League;
- (8) The Hawaii Equestrian and Trails Association;
- (9) The Electric Vehicle Association of Hawaii; and
- (10) The Green Party of Hawaii.

No testimony opposing the intent of the bill was received, although all four of the State agencies that testified had fiscal concerns about the measure. Testimonies from DBEDT, DLNR and OSP included their reservations that the appropriation provided in the bill would impinge upon the Administration's budget priorities, while DOT expressed the concern that the bill did not provide adequate funding.

While your Committees appreciate the concerns expressed about the cost of the proposals, given current fiscal constraints, various testifiers noted that federal funds may be available for some of the proposals. The Department of Transportation confirmed that federal money could be used for greenways.

Your Committees recognize the importance of integrated policy with respect to energy, transportation and land use, as envisioned in the present bill. Your Committees believe that an integrated policy, along with coordination among state agencies in the implementation of policy, cannot be effectively and efficiently achieved without a coordinating entity charged with the specific focus and responsibilities proposed in the current bill.

Your Committees gratefully acknowledge the extensive efforts of the diverse groups that worked together to develop this bill as part of the Energy and Environmental Summit process. The continued participation of members of the Summit's energy subcommittee in this process would provide needed continuity and expertise to the steering committee.

Your Committees further believe that the more inclusive the level of participation in the planning process contained in the measure, the more successful it will be in achieving the desired ends embodied in the bill. Given the consensus which was obtained on many of the Summit bills, your Committees believe that broadening participation by diverse groups and interests can be instrumental for reaching agreement on energy issues and policies, in general.

After free and open discussion, your Committees voted unanimously to pass H.B. 3643 with an H.D. 1. The bill was amended, by:

- (1) Modifying paragraphs 2 and 3 on Page 1 to clarify the findings and purpose of the bill;
- (2) Adding the Director of Transportation Services to the steering committee, at the Director's request, as listed on Page 6;
- (3) Removing the Department of Transportation's bicycle coordinator from the steering committee, pursuant to the Director's testimony;
- (4) Adding a representative of a bicycle advocacy group to the steering committee;
- (5) Replacing the word "entity" with "effort" on Page 1, line 5 and Page 3, line 1;
- (6) Replacing the word "stature" with "focus" on Page 1, line 5;
- (7) Replacing "(f)" with "(6)" on Page 15, line 1;
- (8) Replacing "(b)" with "(2)" and "(c)" with "(3)" on Page 16, line 3;

As affirmed by the records of votes of the members of your Committees on Energy and Environmental Protection and Water and Land Use Planning that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 3643, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 3643, H.D. 1, and be referred to the Committee on Transportation.

Signed by all members of the Committees except Representatives Beirne, Hirono, Kanoho and Tajiri.

**SCRep. 190-94 Hawaiian Affairs on H.B. No. 2669**

The purpose of this bill is to grant the Office of Hawaiian Affairs (OHA) the authority to issue bonds.

H.B. No. 2669 was introduced as a short-form bill, which is sometimes referred to as a "vehicle" bill primarily used to introduce a bill containing only a general idea as to the purpose of the bill without specific details in long form. Your Committee has amended the bill to provide the substantive contents of the bill in long form so that a public hearing may be properly held on its substantive contents.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2669, and recommends that it be recommitted to the Committee on Hawaiian Affairs for the purpose of holding a public hearing, in the form attached hereto as H.B. No. 2669, H.D. 1.

Signed by all members of the Committee except Representatives Okamura and Tanimoto.

**SCRep. 191-94 Hawaiian Affairs on H.B. No. 2672**

The purposes of this bill are to provide for the continued services of the court-appointed independent representative after December 1, 1994, and to appropriate funds for that purpose.

H.B. No. 2672 was introduced as a short-form bill, which is sometimes referred to as a "vehicle" bill primarily used to introduce a bill containing only a general idea as to the purpose of the bill without specific detail in long form. Your Committee has amended the bill to provide the substantive contents of the bill in long form so that a public hearing may properly be held on its substantive contents.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2672, as amended herein, and recommends that it be recommitted to the Committee on Hawaiian Affairs for the purpose of holding a public hearing, in the form attached hereto as H.B. No 2672, H.D. 1.

Signed by all members of the Committee except Representatives Okamura and Tanimoto.

**SCRep. 192-94 Labor and Public Employment on H.B. No. 3122**

The purpose of this bill is to make a loan to the Hawaii Workers' Compensation State Fund (Fund).

Your Committee received testimony in support of this bill from the ILWU Local 142, the Hawaii State AFL-CIO, the Hawaii Nurses' Association, and the Pro Active Workers' Task Group.

Testimony in opposition to this bill was received from the Chamber of Commerce of Hawaii, the National Federation of Independent Business, the Hawaii Independent Insurance Agents Association, the Hawaii Insurers Council, and the Hawaii Island Contractors' Association.

Your Committee finds that the Fund was established in 1985 by Act 296. However, no money has been appropriated to the Fund.

Your Committee further finds that the Fund was renamed as the Hawaii State Compensation Mutual Insurance Fund by Act 277, Session Laws of Hawaii, 1989.

Accordingly, your Committee has amended this bill by:

- (1) Inserting the figure of \$1;
- (2) Making reference to the name change of the Fund by Act 277; and
- (3) Making technical, nonsubstantive amendments for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3122, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3122, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representatives Alcon, Taniguchi and Ward.

**SCRep. 193-94 Labor and Public Employment on H.B. No. 2275**

The purpose of this bill is to propose an amendment to the Hawaii Constitution to require the convening of a commission on government organization and efficiency in the year 2004, and every tenth year thereafter, to conduct a comprehensive review of State government operations, and to make recommendations for administrative and legislative action necessary to make current and future government operations cost-effective and efficient.

Testimony strongly in support of this bill was received from the Chamber of Commerce of Hawaii.

Your Committee finds that there is currently no independent review of the necessary functions of government, prioritization of those functions, or recommendation for allocating resources within the State budgeting system.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2275 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Taniguchi and Ward.  
(Representative Alcon voted no.)

**SCRep. 194-94 Education on H.B. No. 2704**

The purposes of this bill are to propose constitutional amendments to:

- (1) Establish the Office of Education;
- (2) Authorize the Office of Education to hold title to all real and personal property; and
- (3) Clarify that the Board of Education shall have the power in accordance with law to formulate policy, manage and administer revenues, and exercise control over the public school system through the Superintendent of Education.

The Hawaii State Teachers Association submitted comments on this measure. The Board of Education submitted testimony in support of the intent of this measure, but preferred that the constitutional amendments be incorporated in the omnibus bill (H.B. No. 3657).

Upon careful consideration, your Committee has amended this measure by:

- (1) Deleting the provision that authorizes the Office of Education to hold title to all real and personal property;
- (2) Clarifying that the Board of Education shall have the power to formulate policy and to appoint the Superintendent of Education, who shall exercise control over the public school system; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2704, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2704, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Apo, M. Ige, Takumi, Taniguchi, Yonamine and Tanimoto.

**SCRep. 195-94 Education on H.B. No. 2708**

The purposes of this bill are to:

- (1) Restrict the powers of the Board of Education to that of policy-making only;
- (2) Authorize the Governor to appoint six members of the Board, subject to confirmation by the Senate; and
- (3) Expand the Board of Education to include representatives from business, parents, general public, students, teachers, and principals.

The Hawaii State Teachers Association submitted comments on this measure. The Board of Education submitted testimony in support of the intent of this measure, but preferred that the constitutional amendments be incorporated in the omnibus bill (H.B. No. 3657).

Upon careful consideration, your Committee has amended this bill by:

- (1) Stating that the Board of Education shall appoint the Superintendent of Education, who shall be the executive officer of the Board; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2708, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2708, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Apo, M. Ige, Takumi, Taniguchi, Yonamine and Tanimoto.

**SCRep. 196-94 Education on H.B. No. 3110**

The purpose of this bill is to propose an amendment to Article VII, Section 12, of the Constitution of the State of Hawaii to authorize the State to issue special purpose revenue bonds to finance early childhood education and care facilities provided to the general public by not-for-profit corporations.

Testimony in support of the intent of this bill was submitted by the Hawaii State Teachers Association, the Governor's Office of Children and Youth, and Keiki's First, who are all in agreement that early childhood education contributes to the social, emotional, intellectual and physical development of young children as they prepare for formal education.

The Governor's Office of Children and Youth requested that the "early childhood education facilities" be referred to instead as "early childhood education and care facilities" and that a definition of the term "early childhood education and care facilities" be provided to insure that use of the funds from special purpose revenue bonds be utilized strictly for the purpose of early childhood education and care facilities.

Your Committee has amended the bill by:

- (1) Inserting the word "and care" after "early childhood education" wherever the term "early childhood education facilities" appears, notwithstanding the title of the bill;
- (2) Inserting the definition of "early childhood education and care facilities" in lines 6 through 10 of Section 1 of the bill;
- (3) Adding a section to note the effect of the bill upon ratification of the proposed constitutional amendment to Article X, Section 1, of the Constitution of the State of Hawaii in HB2692, H.D. 1.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3110, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3110, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Apo, Arakaki, Duldulao, Hagino, Lee and Tanimoto.

**SCRep. 197-94                    Housing on H.B. No. 2764**

The purpose of the bill is to create a permanent source of revenue for the Rental Housing Trust Fund (RHTF) funded through transfers to RHTF of interest on security deposits of rental housing units deposited in tenant trust accounts.

The Housing Finance and Development Corporation, the RHTF Commission, Catholic Charities, the Honolulu Neighborhood Housing Services, Inc. and the YWCA submitted testimony in support of the bill. The Housing Finance and Development Corporation testified that an additional 16,600 rental units for very low and lower income families are estimated to be needed by the year 2000. The large subsidies required to develop these rental units are no longer provided in sufficient amounts by the federal government.

The Rental Housing Trust Fund was established to assist in the financing of affordable rental housing developments for very low and low income households. To date, a regular source of funding has not been established for the fund. Although not sufficient to produce the number of units needed, this bill will create a permanent source of funding.

The Committee learned that the State of Oregon has established a system that is similar to the one proposed by the bill. Upon consideration of information received from Oregon and the testimony presented, the Committee amended the bill by making the following amendments:

- (1) Adding a description of findings and purpose;
- (2) Adding various definitions;
- (3) Rather than requiring every landlord receiving a security deposit to participate, limiting mandatory participation to only to the following groups:
  - (a) Licensed real estate brokers and salespersons; and
  - (b) Non-licensed managers who manage five or more rental units;
- (4) Specifying the responsibilities of financial institutions in which tenant trust accounts are established;
- (5) Requiring the Department of Commerce and Consumer Affairs to adopt rules to implement this bill, and also authorizes the Real Estate Commission to adopt rules;
- (6) Authorizing the Real Estate Commission to suspend or revoke the license of any licensee for non-compliance; and
- (7) Establishing a penalty for non-licensed managers who manage five or more rental units for non-compliance.
- (8) Changing the effective date from the approval date to January 1, 1996.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2764, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2764, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representatives Kawakami, Peters and White.

**SCRep. 198-94                    Hawaiian Affairs on H.B. No. 3012**

The purpose of this bill is to require Hawaiian Home Lands beneficiaries to be consulted on current and future water reserves and development.

The Office of Hawaiian Affairs (OHA) supported the intent of the bill and pointed out the need to clarify the extent of the water reserves intended for consultation purposes and relatedly, the involvement of the appropriate segment of the Hawaiian population. Also supporting this bill were the Native Hawaiian Advisory Council, the Aged Hawaiians, and the Hawaiian Home Lands Action Network.

The Department of Hawaiian Home Lands (DHHL) recommended that this bill be deferred and that the Review Commission on the State Water Code fully consider this issue as it finalizes its recommendations for the 1995 Legislature. Opposing this bill were the Department of Land and Natural Resources, the Land Use Research Foundation of Hawaii, Ka Lahui Hawaii, Ka Lahui Hawaii Political Action Committee, and the Honolulu District of Ka Lahui Hawaii.

Your Committee worked with interested parties to clarify the manner in which Hawaiian Home Lands beneficiaries should be consulted. Following deliberations, your Committee has amended this bill by directing DHHL to:

- (1) Mail notices to affected parties to initiate reservations of water for current and foreseeable development of homestead areas requiring water. The notice would prescribe the potential areas affected by the water reservation and propose a method of selecting advisory groups to assist DHHL in determining proposed water reservations;
- (2) Publish these notices in its newsletter, Ka Honou, as well as OHA's newspaper, Ka Wai Ola O Oha; and
- (3) Help establish these advisory groups.

Additional amendments to the bill:

- (1) Directs the Commission on Water Resource Management to publish any request for water reservation or other pending decisions in its newsletter as well as in OHA's newspaper;
- (2) Directs the advisory groups to oversee the process of developing the applicable water reservations to support current and foreseeable development of its respective island. The advisory groups' recommendations would be forwarded to the Hawaiian Homes Commission and the Commission on Water Resource Management; and
- (3) Appropriates a blank sum for DHHL to contract for technical and professional expertise to support the work of the advisory groups.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3012, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3012, H.D. 1, and be referred to the Committee on Water and Land Use Planning.

Signed by all members of the Committee except Representative Lee.

**SCRep. 199-94                    Housing on H.B. No. 3595**

The purpose of this bill is to limit lease rent assessable by the Board of Land and Natural Resources to \$100 per year when lots are used to provide affordable rental housing.

Your Committee received testimony in favor of this bill from Lokahi Pacific and the tenants of the Hale Lokahi Elua project, and opposition from the Office of Hawaiian Affairs and the Board of Land and Natural Resources.

To enable the Board of Land and Natural Resources to meet its fiduciary responsibilities and hold down lease rents to customers who make below 80% of the local median income, your Committee has amended the bill to remove the \$100 limit and to declare that the state will waive its 80% of rental income from ceded lands.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3595, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3595, H.D. 1, and be referred to the Committee on Water and Land Use Planning.

Signed by all members of the Committee except Representatives Kawakami and Peters.

**SCRep. 200-94                    Education on H.B. No. 3739**

The purpose of this bill is to establish a five-year moratorium on state and county zoning and building requirements for the construction of educational facilities.

The Department of Education and Chairperson of the Maui County Council submitted testimony in favor of this measure.

Your Committee believes that although there is an overriding need for educational facilities, it is still necessary to ensure that the construction of facilities meet existing code requirements, Federal requirements such as the Americans with Disabilities Act, and fire codes for the health and safety of students. Thus, this measure has been amended by:

- (1) Adding a definitions section for the purposes of clarity;
- (2) Clarifying that for the sake of flexibility and efficiency, the Board of Education, and not the Department of Accounting and General Services, may develop educational facilities which shall be exempt from statutes, ordinances, charter provisions, and rules of any governmental agency provided that the project meets minimum requirements of health and safety; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3739, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3739, H.D. 1, and be referred to the Committee on Intergovernmental Relations and International Affairs.

Signed by all members of the Committee except Representatives M. Ige, Takumi, Tanimuguchi, Yonamine and Tanimoto.

**SCRep. 201-94 Education on H.B. No. 3483**

The purposes of this bill are to:

- (1) Propose that the Board of Education members and the Superintendent of Education be appointed by the Governor and confirmed by the Senate;
- (2) Create departmental school districts; and
- (3) Add statutory provisions on reapportionment.

The Central Oahu Youth Services Association submitted testimony in favor of this measure. The United Public Workers also submitted testimony in support of this measure, but requested that the provision stating that the Superintendent may be terminated for cause or by a majority vote of the members of the Board be removed.

Upon careful consideration, your Committee has amended this measure by:

- (1) Clarifying that the members of the Board shall be appointed from each of the school districts;
- (2) Clarifying that the Superintendent of Education be appointed by the Board;
- (3) Deleting the provision on departmental school districts in light of Project Ke Au Hou; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3483, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3483, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Apo, Arakaki, Beirne, Duldulao, Hagino and Lee.  
(Representatives M. Ige, Isbell and Shon voted no.)

**SCRep. 202-94 Education on H.B. No. 2692**

The purpose of the bill is to support education.

H.B. No. 2692 was introduced as a short-form bill, which is sometimes referred to as a "vehicle" bill primarily used to introduce a bill containing only a general idea as to the purpose of the bill without specific details in long form. Your Committee has amended the bill to provide the substantive contents of the bill in long form so that a public hearing may be properly held on its substantive contents.

Your Committee received an advisory letter from the Department of the Attorney General in response to an inquiry concerning the constitutionality of a proposed amendment to Article VII, Section 12, of the Constitution of the State of Hawaii in H.B. No. 3110, H.D. 1. The proposed amendment would allow the State to authorize special purpose revenue bonds to finance or assist early childhood education and care facilities provided to the general public by not-for-profit corporations. The Attorney General's office has informed your Committee that Article X, Section 1, prohibits the appropriation of public funds for the support or benefit of any private educational institution and that since special purpose revenue bonds are considered public funds, an amendment to Article X, Section 1, would also be necessary in order to allow the State to use the proceeds of special purpose revenue bonds to finance or assist early childhood education and care facilities provided to the general public by not-for-profit corporations.

Your Committee was unable to insert a proposal to amend Article X, Section 1, in H.B. No. 3110, H.D. 1, due to the title of H.B. No. 3110, H.D. 1, being too narrow in scope to allow for a provision pertaining to Article X, Section 1.

In light of this, your Committee has amended this bill by using this short-form bill as a means to allow the State to amend Article X, Section 1, to authorize the State to use the proceeds of special purpose revenue bonds to finance or assist early childhood education care and facilities.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the action to report out H.B. No. 2692, as amended herein, and recommends that it be recommitted to the Committee on Education, for the purpose of holding a public hearing thereon, in the form attached hereto as H.B. 2692, H.D. 1.

Signed by all members of the Committee except Representatives Apo, Arakaki, Duldulao, Hagino, Lee and Tanimoto.

**SCRep. 203-94 Economic Development and Business Concerns on H.B. No. 853**

The purpose of this bill is to support economic opportunities in the State.

H.B. No. 853 was introduced as a short-form bill, which is sometimes referred to as a "vehicle" bill primarily used to introduce a bill containing only a general idea as to the purpose of this bill without specific details in long form. Your Committee has amended the bill to provide the substantive contents of the bill in long form so that a public hearing may be properly held on its substantive contents.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the action to report out H.B. No. 853, as amended herein, and recommends that it be recommitted to the Committee on Economic Development and Business Concerns, for the purpose of holding a public hearing thereon, in the form attached hereto as H.B. No. 853, H.D. 1.

Signed by all members of the Committee except Representatives Cachola, D. Ige and Tam.

**SCRep. 204-93                      Economic Development and Business Concerns on H.B. No. 3093**

The purpose of this bill is to support economic development in the State.

H.B. No. 3093 was introduced as a short-form bill, which is sometimes referred to as a "vehicle" bill primarily used to introduce a bill containing only a general idea as to the purpose of this bill without specific details in long form. Your Committee has amended the bill to provide the substantive contents of the bill of the long form so that a public hearing may be properly held on its substantive contents.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the action to report out H.B. No. 3093, as amended herein, and recommends that it be recommitted to the Committee on Economic Development and Business Concerns, for the purpose of holding a public hearing thereon, in the form attached hereto as H.B. No. 3093, H.D. 1.

Signed by all members of the Committee except Representatives Cachola, D. Ige and Tam.

**SCRep. 205-94                      Health on H.B. No. 3239**

The purpose of this bill is to amend Chapter 321-228, Hawaii Revised Statutes, to allow counties with populations of 200,000 or more to receive total compensation under a contract in a lump sum and to utilize such amount to implement emergency ambulance services in a manner and at a level as determined by the county.

Testimony in support of this measure was received from the City and County of Honolulu. The Department of Health, although supporting the lump sum payment notion, could not support the idea of allowing the county to be the sole determinate as to the number, location, hours of operation, mix, training, and extent of integration of county fire department operations and personnel into emergency ambulance service operations.

It was realized by your Committee that the various counties were best able to know and to meet the needs of its constituent populations. It was felt that by allowing lump sum payments, the counties would have greater flexibility in their operations and could operate in a more efficient manner. Further, your Committee recognized that by providing counties with this flexibility, the counties would be held more accountable by the population it serves.

Accordingly, your Committee has amended this bill by:

- (1) Including all the counties under this measure by removing the provision that this apply to counties with a population of 200,000 or more.
- (2) Deleting language that allowed the county to be the sole determinate of emergency ambulance service operations.
- (3) Including technical, non-substantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3239, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3239, H.D. 1, and be referred to the Committee on Intergovernmental Relations and International Affairs.

Signed by all members of the Committee except Representative Arakaki.

**SCRep. 206-94                      Health on H.B. No. 3327**

The purpose of this bill is to reorganize the community hospitals as an agency for the community hospitals.

Testimonies in favor of this bill were received from the Department of Health, HGEA-AFSCME, and the Healthcare Association of Hawaii.

It is recognized by your Committee that pressures for national health reform have caused the healthcare industry to change rapidly. It is understood by your Committee that by implementing the purposes of this bill, the health needs of Hawaii's citizens will be better met in this time of changing healthcare environments due to national, as well as local, reforms.

Accordingly, your Committee has amended this bill by:

- (1) Adding language that includes the executive director of the Hawaii Government Employees Association and the executive director of the International Labor Workers Union, or representatives of both organizations as members of the advisory board. This language was included because both of these organizations represent laborers in the community hospital system.
- (2) Other technical nonsubstantive amendments were made for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3327, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3327, H.D. 1, and be referred to the Committee on Labor and Public Employment.

Signed by all members of the Committee except Representatives Arakaki, Kawakami and Tanimoto.

**SCRep. 207-94            Health on H.B. No. 3165**

The purpose of this bill is to extend the sunset date of Act 202, Session Laws of Hawaii 1988, from 1994 to 1998 and to amend the Act to allow for greater flexibility in the application of the mandated benefits to more effectively and efficiently meet the needs of a patient without enlargement in the mandated coverage.

The Department of Health, HMSA, the Hawaii Psychological Association, the Hawaii Psychiatric Medical Association, and other members of the concerned public submitted written testimony in support of this measure.

It is realized by your Committee that for the past ten months, representatives of government, the insurance industry, health care providers, employers, and advocacy groups have met to discuss the mandated mental health and substance abuse benefits.

Your Committee also recognized that disabilities caused by untreated mental illness and substance abuse are extremely costly in both monetary and human terms. Through the passage of this measure, it is believed by your Committee the physical well-being of the people of Hawaii will be enhanced.

Accordingly, your Committee has amended the bill by:

- (1) Adding language that stipulates when outpatient services may be exchanged for in-hospital services
- (2) Deleting the amendment of the definition of certified substance abuse staff
- (3) Amending technical, non-substantive language for the purposes of clarity and style

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3165, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3165, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representative Arakaki.

**SCRep. 208-94            Health on H.B. No. 3325**

The purpose of this bill is to implement statutory exemptions relating to personnel that were identified during the autonomy pilot program as impediments to autonomous operation.

The Department of Health submitted testimony in strong support of this bill.

It is recognized by your Committee that there are a series of specific management needs at the Community Hospitals and that these management needs will be met by the implementation of this measure. Further, your Committee realizes that with the adoption of this measure, administrative efficiency will be increased, impediments to service will be reduced, and hospital costs will be lowered.

However, your Committee did voice its concern that the attorney retained by the community hospitals be an attorney appointed by the Attorney General as a Special Attorney General.

Accordingly, your Committee has amended the bill by including language to address such a concern.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3325, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3325, H.D. 1, and be referred to the Committee on Labor and Public Employment.

Signed by all members of the Committee except Representatives Arakaki, Kawakami and Tanimoto.

**SCRep. 209-94 Intergovernmental Relations and International Affairs on H.B. No. 2913**

The purpose of this bill is to allow concurrent processing of amendments to development permit requests for housing development projects.

Testimony in support of this bill was submitted by the State Streamlining Task Force, The Department of Land Utilization, City and County of Honolulu, The Chamber of Commerce of Hawaii, and the Hawaii Developers Council.

Your Committee finds that this measure is in accord with the Legislature's intent to streamline the State's approval process for housing development, as expressed in Act 227, Session Laws of Hawaii 1992, which established the State Streamlining Task Force.

At present, sequential processing of amendments to permits causes considerable delay prior to the commencement of construction for new housing development projects. Your Committee believes that concurrent processing would significantly reduce this delay and expedite the rate of construction of new housing. Furthermore, this time-saving procedure would result in a reduction of the overall cost to the homebuyer.

Your Committee has amended the bill by adding language which specifies that concurrent processing of land redesignation requests by the State Land Use Commission is to be done only upon request of the applicant. This amendment has been made to cover certain cases where it may not be in the applicant's interest to expedite the processing of permits.

As affirmed by the record of votes of the members of your Committee on Intergovernmental Relations and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2913, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2913, H.D. 1, and be referred to the Committee on Housing.

Signed by all members of the Committee except Representatives Alcon, Hagino and Ward.

**SCRep. 210-94 Agriculture on H.B. No. 3128**

The purpose of this bill is to appropriate funds for the operation and maintenance of the low-elevation extension demonstration farm on Maui.

The low-elevation extension demonstration farm, established in 1991, allows hands-on demonstrations of potential crops in the low-elevation environments of lands made available by the downsizing of the sugar and pineapple industries. According to testimony by the University of Hawaii College of Tropical Agriculture and Human Resources (CTAHR), the demonstration farm on Maui is already demonstrating to farmers, the potential of several varieties of tropical flowers, including 33 varieties of plumeria, ti, and taro. These activities provide agricultural industries throughout the State with valuable information on alternative crops on similar landscapes and environments.

Your Committee recognizes that projects like the Maui low-elevation extension demonstration farm supports diversified agriculture and provides viable business opportunities in the State.

Your Committee received supporting testimony from the Council Chair of the County of Maui and the Hawaii Farm Bureau. However, the Council Chair of the County of Maui indicated that the testimony submitted by the County of Maui was offered without having secured the specific approval of the other members of the Maui County Council because of time constraints. The Governor's Agriculture Coordinating Committee (GACC) testified in support of the bill, provided that the appropriation contained in the bill not replace GACC's current priorities in the Executive Biennium Budget. Testimony was also received from a private citizen.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3128 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Ishii-Morikami and Tam.

**SCRep. 211-94 Housing and Human Services on H.B. No. 3159**

The purpose of this bill is to exempt certain donations to homeless programs from most civil liabilities.

As affirmed by the records of votes of the members of your Committees on Housing and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 3159 and recommend that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committees except Representatives Arakaki, Duldulao, Kawakami, Pepper and Peters.

**SCRep. 212-94 Housing on H.B. No. 3522**

The purpose of this bill is to appropriate to the Hawaii Housing Authority \$925,000 for the safe haven demonstration project, \$3,000,000 for a homeless dormitory, and \$32,000,000 for other housing. It further appropriates to the Department of Health \$882,000 for a long term rehabilitation residence, and seeks to include treatment with housing.

Upon further consideration, your Committee has decided to change the amount of funding for each of these projects to \$1, and to have funds for each of these projects expended through the Department of Health. The bill is further amended to require that each of these projects must have some sort of treatment component.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3522, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3522, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Peters and White.

**SCRep. 213-94            Housing on H.B. No. 3523**

The purpose of this bill is to appropriate \$570,000 for the homeless shelter stipend program, to be administered by the Hawaii Housing Authority.

Upon further consideration, your Committee has amended this bill to change the amount of funding to \$1.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3523, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3523, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami, Peters and White.

**SCRep. 214-94            Labor and Public Employment on H.B. No. 3474**

The purpose of this bill is establish a pre-employment substance abuse testing program for the Department of Public Safety (Department). This bill also allows the Department to deny employment for three years if the applicant tests positive for drugs.

Your Committee received favorable testimony on this bill from the Department of Public Safety.

The United Public Workers testified in opposition to this bill.

Your Committee finds that employees of the Department are responsible for protecting the safety and security of the public through diligent discharge of their duties, and to uphold the law. Further, substance abuse by employees causes lower productivity, poor judgment in decision making, increased absenteeism, accident and crime. Also, your Committee finds that a properly administered pre-employment substance abuse testing program would be a valuable tool to aid the Department in limiting job related problems attributable to substance abuse.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3474 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Alcon, Taniguchi and Ward.  
(Representative Takumi voted no.)

**SCRep. 215-94            Labor and Public Employment on H.B. No. 3443**

The purpose of this bill is to establish an Occupational Safety and Health Training and Assistance Fund.

This Fund will be:

- (1) Used to implement safety and health training programs, fund consultants, and provide grants; and
- (2) Comprised of moneys collected from penalties assessed for violations of the Occupational Safety and Health Act.

Your Committee received testimony in favor of this measure from the Department of Labor and Industrial Relations, the Construction Industry Legislative Organization, Inc., the General Contractors Association of Hawaii, the Hawaii Business League, the Hawaii Nurses' Association, ILWU Local 142, the Legislative Informations Services of Hawaii, Inc., the National Federation of Independent Business, and the Hawaii Island Contractors' Association. The Chamber of Commerce of Hawaii supported the intent of this measure but recommended some amendments.

Your Committee finds that this measure will educate employers on how to protect their employees while maintaining or even increasing business profits. Workers will be made aware of the proper procedures and instructed on how to correct unsafe procedures that endanger their own safety as well as the safety of fellow workers. This measure will act to prevent accidents, which will, in turn, alleviate expenditures in recovering from these accidents.

While cognizant of the current economic hardships, your Committee finds that the Fund suggested by this measure is a type of fee-based revolving fund that would be financed by penalties assessed against employers for occupational safety and health violations. It is not a mechanism that would hinder fiscal responsibility by circumventing constitutional spending limitations and preventing adequate legislative oversight.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3443 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Alcon and Ward.

**SCRep. 216-94 Labor and Public Employment on H.B. No. 3151**

The purpose of this bill is to preserve ordinary death benefits for public school employee members of the Employees' Retirement System of the State (ERS) who may not receive salary during the interim period when transferring from year-round school schedule to a traditional school schedule.

Your Committee has received testimony in support of this bill from the Department of Education (DOE), the Hawaii Government Employees Association, and the Hawaii State Teachers Association. ERS submitted informational testimony.

Your Committee finds that DOE employees working in a year-round school schedule may have to later move back to ten-month work schedule (traditional school year). Such employees may need to wait a month or more on non-paid status before the subsequent school year, during which the employee is vulnerable to losing retirement death benefits should they decrease during the non-paid period. Further, ERS has not been able to provide a completely satisfactory solution within the existing governing statutes.

Your Committee further finds that ERS is not able to estimate the additional annual cost to the General Fund until the number of individuals who may be affected is determined.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3151 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Taniguchi and Ward.  
(Representative Alcon voted no.)

**SCRep. 217-94 Labor and Public Employment on H.B. No. 3119**

The purpose of this bill is to require the Hawaii Labor Relations Board (Board) to render its written decision within sixty days after the action is taken. This bill also allows the time period to be extended by thirty more days if all parties agree to the extension.

Your Committee received testimony in opposition to this bill from the Hawaii Labor Relations Board.

Testimony in support of this bill was received from the ILWU Local 142 and the Pro Active Workers' Task Group.

Your Committee finds that, currently, the Board does not have any requirement to render its written decisions within a certain period of time after the action is taken. Further, the backlog is attributable to the lack of adequate numbers of legal staff.

Accordingly, your Committee has amended this bill by removing the thirty-day limitation on extensions if all parties agree to an extension. Also, a technical, nonsubstantive amendment has been made for the purpose of clarity.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3119, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3119, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Alcon, Taniguchi and Ward.

**SCRep. 218-94 Higher Education and the Arts on H.B. No. 3238**

The purpose of this bill is to establish a temporary commission to plan a historic and cultural exhibition complex at the Oahu Sugar Mill site. Appropriates funds for the development of plans.

Testimony was received in support of this bill from the Department of Accounting and General Services, Waipahu Cultural Garden Park, ILWU Local 142, Waipahu Community Association and Inner Ecology Art. AMFAC/JMB HAWAII, Inc. asked that this bill be deferred.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3238 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Apo, Arakaki, D. Ige, M. Ige, Shon and Tanimoto.

**SCRep. 219-94 Higher Education and the Arts on H.B. No. 2337**

The purpose of this bill is to require unaccredited institutions to disclose, in addition to their lack of accreditation, that the State of Hawaii chooses not to regulate them.

Testimony was received in support of this bill from the University of Hawaii, UH Professional Assembly, Pacific Western University and Greenwich University.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2337 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representatives Apo, Arakaki, D. Ige, M. Ige, Shon and Tanimoto.

**SCRep. 220-94 Higher Education and the Arts on H.B. No. 3652**

The purpose of this bill is to appropriate funds for the University of Hawaii to establish a shuttle service for its students.

Testimony was received in support of this bill from the University of Hawaii and the ASUH.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3652 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Apo, Arakaki, D. Ige, M. Ige, Shon and Tanimoto.

**SCRep. 221-94 Energy and Environmental Protection on H.B. No. 3251**

The purpose of this bill is to repeal Chapter 196D in light of the fact that the State's energy policy is no longer in accord with the development of geothermal resources and cable systems.

Testimony in strong support of H.B. 3251 was received from:

- (1) Sierra Club;
- (2) Life of the Land;
- (3) the Green Party of Hawaii; and
- (4) a number of residents of the Island of Hawaii.

Testimony from the Green Party and Life of the Land, in particular, noted that the statute to be repealed is no longer consistent with the State's policy regarding geothermal energy.

Testimony received from the Department of Land and Natural Resources (DLNR) and the Department of Business, Economic Development, and Tourism (DBEDT) likewise acknowledged that repeal of Chapter 196D would be consistent with existing State policy, yet both opposed the elimination of the chapter on the grounds that the reduction in funds would diminish the State's ability to regulate geothermal projects.

Your Committee, upon questioning, learned that the resources alluded to by DLNR and DBEDT are two temporary positions that provide no services in regards to Chapter 165D. DLNR also testified that the State "is not taking any action to support a large-scale geothermal and undersea cable project to export electrical energy to other islands." Other testimony noted that DLNR has received no permit applications pertaining to this law and that an October, 1993, DBEDT review of the State and County Regulatory Responsibilities, indicated that DLNR is conducting no geothermal permitting or regulatory activities under this chapter.

In light of these findings, your Committee concluded that this chapter is no longer necessary and should be repealed. Accordingly, your Committee voted unanimously to pass H.B. 3251 unamended.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3251 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hirono.

**SCRep. 222-94 Energy and Environmental Protection on H.B. No. 3266**

The purpose of this bill is to appropriate funds for the nonpoint source pollution control program.

Testimony supporting H.B. 3266 was received from:

- (1) the USDA Soil Conservation Service;
- (2) the Department of Health;
- (3) the UHM Water Resources Center;
- (4) the Sierra Club;
- (5) the Natural Resources Defense Council;
- (6) the Hawaii Association of Conservation Districts;
- (7) the UHM Department of Agronomy and Soil Science;
- (8) the Hawaii Sugar Planters' Association; and
- (9) Hawaii's Thousand Friends.

The only suggested amendments pertained to increasing the amount of funds and several technical suggestions. The majority of those who testified felt that withholding state funds would greatly compromise opportunities to obtain matching federal funds, needed to support programs that address our nonpoint source pollution problems.

Your Committee recognizes the seriousness of environmental damage caused by nonpoint source pollution and believes that the quality of our ocean and stream waters can be maintained by supporting programs that address nonpoint source pollution.

Accordingly, your Committee unanimously agreed to pass the bill with an increase in the amount of funding from \$200,000 to \$240,000. This relatively small increase should result in significantly greater matching federal funds. Your Committee also made technical, non-substantive amendments.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3266, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3266, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hirono.

**SCRep. 223-94 Energy and Environmental Protection on H.B. No. 3612**

The purpose of this bill is to appropriate funds to be expended by the Department of Land and Natural Resources (DLNR) to remove algae from the beaches and nearshore waters of Maui County.

Testimony in support of this bill was submitted by a councilmember of the County Council of Maui. According to the testimony, dense concentrations of seaweed have interfered with the recreational and commercial use of Maui County's beaches and ocean and have created nuisance and health problems from the decaying seaweed. The decaying seaweed emits an offensive odor and attracts flying insects, both of which have been the subject of complaints not only from residents of Maui County, but also from visitors.

Testimony in opposition to this bill was submitted by DLNR. According to the testimony, the appropriation requested by the bill is inadequate since no funding is appropriated for Maui County's share of the algae removal program. Although sympathetic to the need to adequately fund programs, your Committee fails to understand DLNR's rationale concerning this point.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3612 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hirono.

**SCRep. 224-94 Energy and Environmental Protection on H.B. No. 3674**

The purpose of this bill is to establish the Koa Forest Recovery Special Fund to mitigate potential fire threats caused by fallen or damaged forestry.

Testimony in support of the bill was received from:

- (1) the Department of Land and Natural Resources (DLNR);
- (2) the Hawaii Forestry Industry Association--Kauai; and
- (3) the Hawaii Forestry Industry Association--Oahu.

Your Committee unanimously agreed to pass H.B. 3674 with amendments suggested by the Forestry Associations, with which DLNR concurred.

Your Committee members further amended the bill to include all fallen and dead tree species.

The amendments to the bill are:

- (1) changing Page 1, lines 14 and 15 to read: "thereby creating a need to present the public with educational materials describing the necessity for active management in the restoration of Hawaii's forest.";
- (2) changing Page 1, line 20 from "recover" to "restore";
- (3) changing Page 2, lines 11 and 12 to read: "(2) Restore devastated koa forest using proven ecosystem management methods; and";
- (4) changing Page 2, lines 13 and 14 to read: "(3) Present the public with educational materials on the importance and effectiveness of active, responsible forest management in this and other areas affected by disaster and/or invasive pests.";
- (5) changing Page 2, line 18 from "damaged or fallen koa wood" to "salvageable koa wood and other tree species..."; and
- (6) changing Page 2, line 21 to add "...with koa wood and other tree species...".

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3674, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3674, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hirono.

**SCRep. 225-94 Intergovernmental Relations and International Affairs on H.B. No. 3143**

The purpose of this bill is to repeal the ERS County Special Fund for payment of county contributions to the Employees' Retirement System.

Testimony was received from the administrator of the Employees' Retirement System in support of this measure.

It is noted that in 1990 the State Auditor began a study of various special and revolving funds to determine whether their existence was justified. The State Auditor recommended that the ERS County Special Fund be repealed as it had been inactive for many years.

Your Committee is in accord with the State Auditor and believes that repeal of the Special Fund is a necessary and practical measure. The Special Fund no longer serves a function and its continued existence is unwarranted.

As affirmed by the record of votes of the members of your Committee on Intergovernmental Relations and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3143 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Alcon and Hagino.

**SCRep. 226-94 Housing and Hawaiian Affairs on H.B. No. 3333**

The purpose of the bill is to appropriate funds for the repair and replacement of the homes in the Panaewa residential lots, units 3 and 4, in Hilo, Hawaii.

Your Committees received testimony from numerous residents of the Panaewa residential lots, units 3 and 4, the Department of Hawaiian Home Lands, and the Native Hawaiian Legal Corporation.

In oftentimes highly emotional testimony, residents of Panaewa residential lots, units 3 and 4, described the deplorable conditions of their homes, which were developed by a partnership between the Department of Hawaiian Home Lands and the Housing Finance and Development Corporation through a contract with general contractor, Glenn Lindsey.

According to residents, the poorly built houses were constructed of materials below specifications and contract standards. Due primarily to substandard foundations, nearly fifty percent of the homes are known to have varying levels of subterranean termite infestations, and three houses have been deemed to be unliveable. As a result of the use of inferior materials and improper construction, all houses violate building codes, and many also violate health codes.

Prior to living in Panaewa, many residents sold their homes on other islands, moved their families, and put all of their money into their Panaewa homes. However, what they bought soon became a source of constant pain and hardship, which in some cases led to a breakdown of their families. Furthermore, many residents expressed a deep-seated frustration with working with the Department of Hawaiian Home Lands to try to resolve their problems.

Based upon the testimony presented, your Committees have amended the bill as follows:

- (1) Revised the findings and purpose of the bill to more accurately reflect the inadequate construction of the houses and the failure of the various agencies responsible for inspecting and managing of the project;
- (2) Specified that of the \$4,000,000 appropriated, \$3,000,000 would be designated for loans and \$1,000,000 for demolition and site preparation;
- (3) Clarified that the program funded by the bill would only replace and not repair the homes since they are beyond repair;
- (4) Specified that the program would provide self-help and owner-builder alternatives to residents through a contract with a non-profit organization;
- (5) Specified that all lessees who previously qualified for loans will be considered pre-qualified for new loans;
- (6) Specified the conditions of the loans; and
- (7) Changed the expending agency from the Department of Hawaiian Home Lands to the Hawaii Housing Authority.

As affirmed by the records of votes of the members of your Committees on Housing and Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 3333, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 3333, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Apo, Beirne, Ihara and Peters.

**SCRep. 227-94 Labor and Public Employment on H.B. No. 3072**

The purpose of this bill is to allow district court judges who elected to join the class C noncontributory plan in 1984 the opportunity to convert to the class A contributory plan and purchase those years as a noncontributory district judge.

Your Committee received favorable testimony on this bill from the Hawaii State Trial Judges Association.

Testimony from a private citizen was received, suggesting an amendment to allow all state and county employees who are in positions mandated to be class A members by Act 343, Session Laws of Hawaii 1989, the opportunity to convert and purchase their years as class C noncontributory members.

The Employees' Retirement System (ERS) testified the purpose of this bill seems inequitable to other class C members who want to convert back to class A members but cannot. ERS also testified that because they are unable to determine the number of district judges affected, they are unable to provide an estimate of the additional cost.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3072 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Alcon.  
(Representative Ward voted no.)

**SCRep. 228-94 Labor and Public Employment on H.B. No. 3420**

The purpose of this bill is to increase the number of Trustees on the Board of Trustees of the Hawaii Public Employees Health Fund (Health Fund) from nine to ten. The additional Trustee would be a retired member of the Employees' Retirement System.

Your Committee received testimony in support of this bill from the Hawaii State Teachers Association and the Coalition of Hawaii State-Counties Retirees Association.

The Board of Trustees of the Health Fund testified but expressed no opinion on this bill.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3420 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Alcon.

**SCRep. 229-94 Labor and Public Employment on H.B. No. 3425**

The purpose of this bill is to recognize a child identified in a Qualified Medical Child Support Order as an eligible dependent for benefits from the Hawaii Public Employees Health Fund (Health Fund).

Testimony in support of this bill was received from the Board of Trustees of the Health Fund.

Your Committee finds that the federal Omnibus Budget Reconciliation Act of 1993 requires all states to recognize Qualified Medical Child Support Orders in order to qualify for continued Medicaid funding. This bill will put Hawaii in compliance with the federal Act.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3425 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Alcon.

**SCRep. 230-94            Tourism on H.B. No. 2899**

The purpose of this bill is to clarify the liability of hotels with regard to claims for injuries from ocean activities at an adjacent beach.

Your Committee received testimony in support of this bill from the Hilton Hawaiian Village, the Maui Hotel Association, the Kauai Hotel Association, the Royal Hawaiian Hotel, the Chamber of Commerce of Hawaii, the Halekulani Hotel, and the Hawaii Hotel Association. In addition, your Committee received testimony in opposition from the Hawaii Academy of Plaintiffs' Attorneys.

Your Committee finds that hotels should not be held responsible for incidents that do not occur on their property, provided that they do post adequate notice of any hazardous conditions.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2899 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

**SCRep. 231-94            Tourism on H.B. No. 3390**

The purpose of this bill is to:

1. Amend the General Appropriations Act of 1993 by prohibiting the release of funds for contracts with the HVB unless matched by an equal amount of private funds, but only for funds used for promotion;
2. Appropriate an unspecified amount to the Department of Business, Economic Development and Tourism for tourism promotion by the Hawaii Visitors Bureau, provided that the funds are matched by an equal amount of private funds through cooperative advertising partnerships.

Your Committee received testimony in support of this bill from the Department of Business, Economic Development and Tourism, and the Hawaii Visitors Bureau, and comments on the bill from a concerned citizen, Frances Viglielmo.

Your Committee finds that combining the resources of public and private organizations can maximize the utility of limited promotion funds. Your Committee further finds that the Bureau may have difficulty meeting the matching fund requirement for promotions in general, but a narrower requirement will uphold the intent of the bill.

Your Committee revised the bill by:

1. Requiring matching funds for advertising only, rather than promotions only, for moneys from the General Appropriations Act of 1993;
2. Changing the appropriation amount to \$1 for the purpose of continuing discussion of the bill; and
3. Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3390, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3390, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Ishii-Morikami.

**SCRep. 232-94            Tourism on H.B. No. 2451**

The purpose of this bill is to appropriate funds to the Department of Business, Economic Development and Tourism for the promotion of existing televised golf events.

Your Committee received testimony in support of this bill from the Department of Business, Economic Development and Tourism, Rolfing Sports Inc., the Maui Hotel Association, Hyatt Regency Kauai Resort, Kauai Advertising Group, the Hawaii Visitors Bureau, Sports Producers Hawaii Inc., and Kapalua Land Co. Ltd.

Your Committee finds that golf events give tremendous media exposure of Hawaii to an especially affluent segment of the potential tourism market.

Your Committee revised the bill by:

1. Changing the appropriation amount to \$1 for the purpose of continuing discussion of the bill;
2. Changing the amount to be allocated to each event from \$200,000 to an unspecified amount; and
3. Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2451, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2451, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

**SCRep. 233-94            Tourism on H.B. No. 2595**

The purpose of this bill is to appropriate funds to promote mountain bicycling as a niche market for visitors to Hawaii.

Your Committee received testimony in support of this bill from the Department of Business, Economic Development and Tourism, the Hawaii Visitors Bureau, and the mountain bicycling community.

Your Committee finds that the favorable characteristics of the market profile possessed by all-terrain bicyclists include a high level of education, management or professional occupations, and family orientation. The increased publicity for mountain biking resulting from its inclusion in the 1996 Olympics will increase the popularity of the sport and the terrain of the island of Hawaii makes it an excellent location for training for the Olympics and ideal for races and other events.

Your Committee revised the bill by:

1. Changing the appropriation amount to \$1 for the purpose of continuing discussion of the bill;
2. Removing references to undertaking the program in conjunction with Hawaii MTB Ltd.; and
3. Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2595, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2595, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

**SCRep. 234-94            Human Services on H.B. No. 2446**

The purpose of this bill is to provide a three year public service employment demonstration program. This program would be targeted in counties where there are high rates of unemployment and public assistance. The program is intended to be funded through the employment and training fund under Chapter 383 of the Hawaii Revised Statutes.

Testimony from Representative Robert Herkes, Big Island Council, Hawaii Vocational Rehabilitation Center, and Kona-West Hawaii JSCE was received in support of this measure.

Testimony from the Department of Human Services, Department of Labor and Industrial Relations, Hawaii State AFL-CIO, National Federation of Independent Business, Department of Business, Economic Development and Tourism, and the Committee on Welfare Concerns was received in opposition to this measure.

It is noted by your Committee that there are districts in the State of Hawaii whose residents have higher than average dependency on public assistance and the Puna district in the county of Hawaii is one of these districts. Due to the affordable cost of living in Puna, the growth in the district has strained the ability of the county of Hawaii to keep up with infrastructure needs and economic opportunities. In addition, there are many people who fall into a lifestyle of public assistance dependency that now transcends generations.

Upon further consideration, your Committee has amended this bill by deleting the substantive portion of this bill. This bill now creates a 3-year demonstration public works employment project in the Puna district, Hawaii for residents subject to the public service employment law. It also requires the Department of Human Services to administer the project with the assistance of the Hawaii Island Contractors Association.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2446, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2446, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Peters and Tanimoto.

**SCRep. 235-94            Water and Land Use Planning on H.B. No. 3345**

The purpose of this bill is to restore the Waikiki Natatorium as a "living memorial" by appropriating \$1,250,000 to begin this restoration process.

It is estimated that \$15 million will be required to fully restore the Natatorium. Phase 1 would involve the structural stabilization of the arch walls, and phase 2 would involve demolition of the swimming pool, deck, and bleachers followed by complete restoration of the facility. The appropriations contained in this bill would be earmarked for:

- (1) Plan and design work to fully restore the Natatorium; and
- (2) Construction of phase 1 of the project.

According to the Department of Land and Natural Resources (DLNR), an environmental impact statement is currently being prepared, and final design work is contingent on the submittal of any significant comments during this process. This phase of the project is expected to be completed in late summer.

The following organizations/individuals testified in support of this bill: the Friends of the Natatorium; the Advisory Board on Veterans Services (State Department of Defense); the Hawaii Committee of U.S. Water Polo, Inc.; the Retired Officers Association; the Oahu Veterans Council; the Historic Hawaii Foundation; and two concerned citizens. The Office of Veterans Services (State Department of Defense) also testified but deferred to DLNR which has direct responsibility for implementation of this project. DLNR could not support this bill, because this appropriation would result in reducing its current budget priorities.

Discussion centered around ways to raise sufficient funds during this period of limited State revenues. Some of the testifiers pledged their willingness to solicit funding from the community--in Hawaii, on the mainland, as well as abroad. Other suggestions included the sale of commemorative coins as well as reliance on subscriptions.

As affirmed by the record of votes of the members of your Committee on Water and Land Use Planning that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3345 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Tajiri.

**SCRep. 236-94 Water and Land Use Planning on H.B. No. 2622**

The purpose of this bill is to changes the date when the authority granted by Act 172, Session Laws of Hawaii 1993 shall expire.

Your Committee finds that more time is required for surveying, subdividing, and awarding of leases to families displaced by the Kalapana lava flow. The extension of Act 172 will assure the completion of such tasks.

Your Committee received favorable testimonies from the Department of Land and Natural Resources, Hawaii County Economic Opportunity Council, The Gibson Foundation, and the Kalapana Ohana.

As affirmed by the record of votes of the members of your Committee on Water and Land Use Planning that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2622 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Tajiri.

**SCRep. 237-94 Water and Land Use Planning on H.B. No. 2350**

The purpose of this bill is to appropriate funds for the Department of Land and Natural Resources to acquire a private residential lot (identified by TMK 3-4-29:34) due to potential state liability for property damage or personal injury caused by falling rocks.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and the attorney representing the property owner of the lot identified in HB 3250.

As affirmed by the record of votes of the members of your Committee on Water and Land Use Planning that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2350 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Tajiri.

**SCRep. 238-94 Water and Land Use Planning on H.B. No. 2965**

The purpose of this bill is to increase the number of members of the Review Commission on the State Water Code from seven to nine members by amending section 5 of Act 45, Session Laws of Hawaii 1987. This bill would also appropriate funds to carry out this purpose.

Your Committee received testimony in support of this bill from the Review Commission on the State Water Code and the Native Hawaiian Advisory Council.

In accordance with testimony given by the Review Commission on the State Water Code, your Committee recommends that if H.B. 2965 is passed, that the additional members to the Review Commission be selected with the intent of strengthening representation from the Neighbor Islands, as all current members reside on Oahu. In addition, your Committee suggests that the selection of these additional members take into account the original intent of a fair composition, that maximizes representation of all interested parties such as native Hawaiians.

As affirmed by the record of votes of the members of your Committee on Water and Land Use Planning that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2965 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kanoho and Tajiri.

**SCRep. 239-94            Agriculture on H.B. No. 3006**

The purpose of this bill is to require the Department of Health (DOH) to reimburse dairy farmers for the value of their destroyed milk in instances where the DOH has required the dairy farmer to destroy the milk because of alleged contamination, and then has determined that the milk was in fact not contaminated. In addition, this bill requires the DOH to compensate the dairy farmer within thirty days after the determination that the milk was not contaminated.

While your Committee recognizes that ensuring the public's safety and health are fundamental to the well-being and welfare of the community, your Committee also believes that persons who have been wronged, deserve fair, efficient, and expedient recourse to compensation or reimbursement. Your Committee further recognizes that a dairy farmer who is placed in this situation may experience extreme hardship if compensation is not awarded expeditiously.

Your Committee received testimony from the DOH and the Department of Agriculture (DOA). In their testimony, both the DOH and DOA indicated that the federal government under the U.S. Department of Agriculture, Agricultural Stabilization and Conservation Service, has a Dairy Indemnity Payment Program (DIPP) that a dairy farmer may apply to when the farmer is placed in the situation described above. To be eligible to participate in DIPP, the dairy farmer must not have been responsible in any way for the milk contamination.

Upon consideration, your Committee has amended the bill by requiring the DOA, instead of the DOH, to reimburse the dairy farmer for the value of the destroyed milk.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3006, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3006, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Ishii-Morikami and Tam.

**SCRep. 240-94            Agriculture on H.B. No. 3215**

The purpose of this bill is to appropriate funds for the Department of Agriculture (DOA) to assess the feasibility of establishing a weather information service for the agriculture industry.

Your Committee finds that accurate and up-to-date weather information is indispensable to the agricultural community. For example, farmers and others in the agricultural community rely on accurate weather forecasts to protect their crops and fields. According to written testimony by the DOA, the private sector, through the Hawaiian Sugar Planters' Association and Hawaiian Commercial and Sugar Company, has been spearheading work in the weather information service area. Sophisticated weather service is available to farmers through the National Oceanic and Atmospheric Administration and by subscription through private companies offering such service.

The DOA testified in support of the intent of this bill, provided that the appropriation contained in the bill does not replace the DOA's current priorities as indicated in the Executive Supplemental Budget.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3215 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Ishii-Morikami, Tam and Marumoto.

**SCRep. 241-94            Agriculture on H.B. No. 3216**

The purpose of this bill is to increase the minimum sentence for a first offense of a person convicted of committing theft of livestock from \$1,000 or restitution, to \$3,000 or restitution, whichever is greater.

Kahua Ranch Limited testified in strong support of the bill. In its testimony, Kahua Ranch Limited indicated that cattle and sheep rustling at its ranch continues to be a tremendous and costly problem for ranchers and other livestock raisers. Your Committee also received written testimony on the bill from the Judiciary. The Judiciary stated in its testimony that it requests deferral of Penal Code legislation until a comprehensive review of the Penal Code is completed.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3216 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Morihara and Tam.

**SCRep. 242-94            Agriculture on H.B. No. 3259**

The purpose of this bill is to appropriate funds for anthurium research at the University of Hawaii (UH).

According to the Governor's Agriculture Coordinating Committee (GACC), anthurium blight has plagued the industry since the early 1980s. Through the funding contained in this bill, moneys would be used for such projects as:

- (1) In-vitro propagation certification and indexing; and
- (2) Genetic engineering and breeding.

Your Committee received supporting testimony from the GACC, provided that the appropriation contained in the bill does not replace the GACC's current priorities contained in the Executive Biennium Budget. In its testimony, the UH College of Tropical Agriculture and Human Resources indicated that it welcomes any additional support for this project, provided that the UH Board of Regents budget is maintained and the project does not replace any item recommended for funding by the Governor.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3259 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Morihara and Tam.

**SCRep. 243-94            Agriculture on H.B. No. 2690**

The purpose of this bill is to allow the Board of Agriculture to set the upset price or lease rent for lands and facilities related to agricultural parks, based upon an appraised valuation of the property adjusted to the specific agricultural use of the lot.

The Department of Agriculture (DOA) testified in support of the bill. Current law states that lease rent for lands and facilities related to agricultural parks be set, based upon fair market value. According to the DOA, this valuation results in unreasonable and highly distorted lease rents because fair market value reflects the general trend of real estate sales.

The price of land in the State is greatly affected by foreign investment in Hawaii's real estate market. For example, the high volume of investment activities by foreign investors in Hawaii's real estate market have had a significant effect on land sales by driving prices up. This has contributed to causing artificially high fair market values, as appraisers use such land sale values in their standard appraisal methods.

In their written testimony, the DOA cited an example showing the difference in lease rent set by using fair market value. For example, lease rent for the Keahole Agricultural Park is \$993 per acre per year, whereas the lease rent for Pahoehoe Agricultural Park is \$331 per acre per year. Depending on location, lease rents vary significantly.

Your Committee also received testimony in strong support of the bill from three individuals from the agricultural community.

Technical, nonsubstantive amendments were made to the bill for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2690, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2690, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

**SCRep. 244-94            Health on H.B. No. 2456**

The purpose of this bill is to expand the scope of practice of optometry to include examination, diagnosis, treatment, management, including prescriptive privileges, of the human visual system, beyond the current definition of recognition and analysis of the eye.

Your Committee received favorable testimonies in strong support of this bill from the Hawaii Optometric Association, the American Public Health Association, the Vision Service Plan, the Chief of the Optometry Service at Tripler Army Medical Service, as well as from over fifty private practitioners of optometry.

Various ophthalmologists and ophthalmological groups testified in opposition to this bill, believing that accessibility is not a problem and that providing therapeutic pharmaceutical agents was beyond the scope of optometrical practice.

It was recognized by your Committee that optometrists and ophthalmologists are both vital to eye care, and while both have distinctly different practices, there are some areas where both can serve as primary care professionals. While ophthalmologists provide expertise in the areas of ocular trauma, cataract surgery, retinal surgery, serious ocular infections, as well as systemic diseases, schools of optometry in the United States have been training practitioners to diagnose and treat a vast majority of primary eye care problems thus making it unnecessary for a second referral.

It was noted by your Committee that thirty-seven states have now instituted legislation which expands the scope of responsibility for practicing optometrists to include the use of therapeutic pharmaceutical agents for the treatment of eye disease. Not only can optometrists provide primary eye care for citizens, but the wide-spread distribution of their practice makes eye care more accessible for the disabled and elderly.

Accordingly, your Committee has amended this bill by:

- (1) Changing the word "diagnosis" as used in this bill, to "detection".
- (2) Removing the word "optometrist" from the definition of practitioner, thus addressing the concerns of optometrists dispensing of controlled substances.

Other technical nonsubstantive amendments were made for the purposes of clarity and style.

Your Committee also notes that during decision-making, your Committee inadvertently forgot to remove the word optometry under the definition of prescription (Section 6.) and recommends that the Consumer Protection and Commerce Committee take action on this.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2456, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2456, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representative Kawakami.

**SCRep. 245-94            Health on H.B. No. 2552**

The purpose of this bill is to appropriate out of the general revenues of the state of Hawaii, monies as may be necessary for one new peer education program position for each of three public schools that do not currently have access to peer education program services.

Testimonies in support of this measure were received by the Department of Education and numerous students and teachers currently involved in the Peer Education Program.

The Department of Health, while supporting the intent of H.B. 2552, did express their reservations to support any additional appropriation due to extreme fiscal austerity. Your Committee acknowledges that the problems that teens face in our society today are substantial. It is noted by your Committee that many students are currently facing problems with drugs, teenage pregnancies and relating to their families and others. Further, it is recognized by your Committee that every school would benefit by such a program.

Accordingly, your Committee has amended this measure by:

- (1) Designating three schools at which the Peer Education Program should be established.
- (2) Removing appropriations from the bill and incorporating language which suggested areas that the Department of Education may use, regarding funding, to carry out the purposes of this Act.
- (3) Appropriating the amount of \$1 for the purpose of further discussion.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2552, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2552, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Arakaki.

**SCRep. 246-94            Health on H.B. No. 3638**

The purpose of this bill is to appropriate funds for the purchase of automatic external defibrillators and a part-time medical director for the City and County of Honolulu Fire Department and fire services on Maui, Kauai, and Hawaii.

Testimonies provided by the Hawaii State Fire Council, the County of Kauai Fire Department, the County of Hawaii Fire Department, the Hawaii Fire Chiefs Association, and the American Heart Association, along with a number of doctors, supported the bill.

The Department of Health supported the intent of this measure but could not support any additional funding given the fiscal climate this year.

It was brought to your Committee's attention that the fire department responds to a great number of calls which are medical emergencies. The majority of these cases pertain to cardiac arrest. Furthermore, it was noted by your Committee that the average response time of the fire department to such a case is approximately 3-4 minutes. Seeing that time is of the essence in a cardiac arrest situation and that in states with early defibrillation programs the survival rate is 30-40 percent with this program versus 2-8 percent without this program, your Committee has passed this measure.

After further consideration, your Committee has amended the bill by appropriating the amount of \$6 for the purposes of further discussion.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3638, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3638, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Arakaki.

**SCRep. 247-94 Health on H.B. No. 3241**

The purpose of this bill is to require a public electric utility to document that the risk of harm to residential or school populations who may be exposed to electromagnetic fields from new high voltage power lines is less than cost of alternative routes or construction plans.

The Department of Health, although supportive of the intent of this measure, felt that the provisions of this bill would be impossible for an electric utility or anyone else to execute because health risks associated with exposure to electric and magnetic fields have not been well-defined.

Your Committee realizes that the risks of exposure to electromagnetic fields have not been well-defined, but felt that a danger did exist from exposure to such fields. Although the Department of Health requested that the measure be held, your Committee felt that it was imperative to protect the children of our State by requiring that utilities look at alternative routes for high voltage power lines.

However, taking into consideration the facts presented by the Department of Health and understanding that there was no concrete evidence regarding the dangers of electromagnetic fields, your Committee has decided that the Public Utilities Commission shall conduct public hearings on the matter before making a decision on the proposal by the utilities company.

Accordingly, your Committee has amended this bill by removing language that required the public utility to demonstrate the potential harm which may result from exposing the residential or school population to electromagnetic fields.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3241, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3241, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representative Tanimoto.

**SCRep. 248-94 Health on H.B. No. 3045**

The purpose of this bill is to prohibit smoking in food service establishments, excluding those establishments that employ ten or fewer employees, or that have a seating capacity for fifty or fewer patrons. The bill maintains the existing statutory exemptions for bars, night clubs, private functions and outdoor seating.

Your Committee received testimony in favor of the intent of this measure from the State Department of Health, the Hawaii Medical Association, the American Cancer Society, the American Heart Association, HMSA, Kaiser Permanente, in addition to various other individuals and organizations.

Opponents of this measure included the Hawaii Restaurant Association, the Hawaii Hotel Association, Legislative Information Services of Hawaii, and various other restaurateurs. They felt that this bill, which contains several exceptions to the ban on smoking, would be disadvantageous to larger eating establishments. Furthermore, they are opposed to having an additional government intrusion placed on their establishments.

Accordingly, your Committee has amended this bill by removing any exemptions to the ban on smoking in restaurants. By making the smoking ban applicable to all eating establishments, the bill then does not discriminate against the health of those employees of smaller restaurants. It also permits the even playing field to exist between larger and smaller restaurants.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3045, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3045, H.D. 1, and be referred to the Committees on Judiciary and Consumer Protection and Commerce.

Signed by all members of the Committee except Representatives Arakaki, Isbell and Tanimoto.

**SCRep. 249-94 Energy and Environmental Protection on H.B. No. 2562**

The purpose of this bill as received by your Committee is to enable the State to better protect Hawaii's environment from hazardous substances by providing the State with the necessary resources to respond to the release of pollutants or contaminants in a swift and timely manner.

This bill proposes to accomplish this by increasing the:

- (1) Ceiling in the Environmental Response Revolving Fund, from \$7,000,000, to \$20,000,000, at which point the imposition of the Environmental Response Tax would be discontinued; and
- (2) Environmental Response Tax from five cents per barrel to \$1 per barrel.

By way of a brief background, the Legislature, by Act 148, Session Laws of Hawaii 1988, established the Environmental Emergency Response Revolving Fund, which is now known as the Environmental Response Revolving Fund, as amended by Act 298, Session Laws of Hawaii 1990, which provides the Department of Health with the resources for response actions, including removal and remedial actions.

Testimony in support of this bill was submitted by the Department of Health and the Sierra Club, Hawaii Chapter.

Although testimony in opposition to this bill was submitted by the Department of Taxation, The Chamber of Commerce of Hawaii, Chevron USA, the Western States Petroleum Association, Hawaii Transportation Association, Hawaiian Electric Company, Inc., the Hawaii Hotel Association, and BHP Petroleum Americas (Hawaii) Inc., your Committee believes that the people of Hawaii deserve to live and raise their families in an environment that is free of hazardous substances, pollutants, and contaminants, and that this bill will increase the State's ability to work toward this end.

The Tax Foundation of Hawaii submitted comments on this bill and the Airlines Committee of Hawaii and the Hawaii Fueling Facilities Corporation requested that the bill be modified.

After free and open discussion, your Committee has amended this bill by:

- (1) Replacing the proposal to increase the Environmental Response Revolving Fund (Fund) to \$20,000,000, with a blank amount, to afford the Finance Committee with as much latitude as possible, in determining the Fund's ceiling;
- (2) Deleting the proposal to increase the Environmental Response Tax (Tax) to \$1, and leaving the amount blank, to afford the Finance Committee with as much latitude as possible, in determining the amount of the Tax; and
- (3) Making technical, nonsubstantive revisions for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2562, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2562, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hirono.  
(Representative Thielen voted no.)

**SCRep. 250-94                      Energy and Environmental Protection on H.B. No. 3440**

The purpose of this bill as received by your Committee is to ensure the safety of Hawaii's drinking water by generating funds to support the State's ability to administer the Safe Drinking Water Program (Program).

This bill proposes to accomplish this in part by requiring:

- (1) The Director of Health to establish fees to support the general functions of the Program;
- (2) The fees to be based on the quantity of water provided by the public water system to consumers;
- (3) The fees not be less than two cents per thousand gallons of water provided by the public water system;
- (4) All fees collected be deposited into the Environmental Management Special Fund (Fund); and
- (5) All moneys deposited in the Fund be used exclusively to support, administer, and further develop the Program.

The Safe Drinking Water Program regulates the public water systems of the State. The Department of Health (Department) administers standards for just over eighty contaminants. Currently, because of a growing number of requirements, combined with a reduction in available resources, the Department cannot fully administer all the rules of the Program for which it is responsible.

The Department presently has primary enforcement authority, also known as primacy, for administering the federal Safe Drinking Water Act (SDWA). This delegation which comes from the United States Environmental Protection Agency (EPA), is dependent upon the Department maintaining and fulfilling minimum activities for which the Department receives federal grant funds. Failure to satisfy EPA requirements would cause the loss of primacy and grant funding.

The loss of grant funding at the level of \$397,700, for fiscal year 1993-94, would mean a loss of one-third of the current Program staff. This would essentially cripple the Program.

Primacy has some significant benefits. Some of these benefits are:

- (1) The State is provided with discretion in some areas to be able to tailor requirements to local conditions. Lack of primacy would cause the EPA to administer their rules which in many cases do not have special consideration for local or regional conditions;
- (2) The lack of primacy will cause water suppliers to be regulated by two agencies instead of only one. This is due to the fact that State rules will also be in effect as well as federal rules; and
- (3) The Program as it is run by the State offers a much more complete program than the EPA could offer, such as:
  - (A) Technical assistance;
  - (B) Sanitary surveys;
  - (C) Monitoring and analytical support; and
  - (D) Public participation.

In order to prevent the loss of primacy, the State is required to implement new requirements. The Safe Drinking Water Branch of the Department is already foregoing some of the activities of lesser priority. Without additional funding, some of the more significant activities will also have to be discontinued.

In a letter dated February 10, 1994, from the Regional Administrator of Region IX of the United States Environmental Protection Agency, the EPA expressed deep concern for the State's funding shortfall to implement minimum drinking water program requirements necessary to maintain primacy. In this letter, the EPA warned, "In the event that the State does not obtain the necessary resources to maintain an adequate state program, we (the EPA) will initiate primacy withdrawal proceedings and begin efforts to directly implement the state program at the federal level." The letter further stated,

'In accordance with EPA's contingency plan for primacy withdrawal, our (the EPA's) direct implementation efforts will be the minimum needed to meet regulatory requirements. It will not contain many of the services that the State currently provides to public water systems (i.e., sampling and analysis, technical assistance, plan and specification review). It places the full burden on systems to understand and comply with all present and future requirements. Furthermore, it may not offer any discretionary services, such as waivers from monitoring and variances or exemptions from meeting drinking water standards, that are allowed by regulation. Our (the EPA's) program would emphasize compliance monitoring data management and enforcement with little or no technical assistance.'

In light of the fact that this is an essential program that deals with the quality of the drinking water each of us consumes, as there are few resources as necessary as high quality drinking water, and the need for the State to maintain primacy, your Committee wholeheartly supports the intent of this bill.

Testimony in support of this bill was submitted by the Department of Health and the Sierra Club, Hawaii Chapter.

Testimony in opposition to this bill was submitted by the Board of Water Supply of the City and County of Honolulu, Ka Lahui Hawaii Political Action Committee, and the Kokua Council for Senior Citizens.

A former member of the State's Groundwater Technical Advisory Committee proposed amendments to this bill.

After free and open discussion, your Committee has amended this bill by:

- (1) Deleting the amount of two cents as the minimum fee to be assessed per thousand gallons of water provided by the public water system, and leaving the amount blank. This is to afford the Finance Committee as much latitude as possible, in determining the minimum fee; and
- (2) Making technical, nonsubstantive revisions for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3440, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3440, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hirono.

**SCRep. 251-94**

**Education on H.B. No. 3111**

The purpose of this bill is to allow for the issuance of special purpose revenue bonds to assist not-for-profit corporations that provide early childhood education facilities to the general public.

The Hawaii Association for the Education of Young Children submitted testimony in support of this measure. The Office of Children and Youth also submitted testimony in support of this measure along with suggestions for minor language modifications.

Upon careful consideration, your Committee has amended this measure by incorporating the proposed language from the Office of Children and Youth to define the intended target of special purpose revenue bonds as "not-for-profit corporations that provide early childhood education and care facilities to the general public". The language "and care" has been inserted wherever applicable for the purposes of consistency.

Technical, nonsubstantive amendments have also been made for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3111, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3111, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Apo, Arakaki, Hagino, M. Ige, Lee and Taniguchi.

**SCRep. 252-94 Higher Education and the Arts and Labor and Public Employment on H.B. No. 2967**

The purpose of this bill is to specify the salaries of the Superintendent of Education, the President of the University of Hawaii, and other department heads or executive officers.

Testimony in support of this bill was heard from the University of Hawaii.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Labor and Public Employment that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2967 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Duldulao and M. Ige.

**SCRep. 253-94 Higher Education and the Arts and Education on H.B. No. 3197**

The purpose of this bill is to provide for the operation of summer programs by the University Laboratory School.

Testimony in support of this bill was heard from the University of Hawaii.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Education that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 3197 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Duldulao and M. Ige.

**SCRep. 254-94 Higher Education and the Arts and Education on H.B. No. 3447**

The purpose of this bill is to provide the University of Hawaii and the Department of Education with increased authority and autonomy to manage their programs.

Testimony in support of this bill was heard from the University of Hawaii and the Department of Education.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Education that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 3447 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Duldulao and M. Ige.

**SCRep. 255-94 Tourism on H.B. No. 3391**

The purpose of this bill is to re-invigorate the spirit of Aloha among the people of Hawaii by providing the following:

1. Directing the Hawaii Visitors Bureau to conduct surveys to measure the attitudes of Hawaii residents and visitors; and
2. Directing the School of Travel Industry Management of the University of Hawaii to conduct visitor industry executive seminars on Hawaiian culture, with the assistance of the Hawaii Hotel Association and other interested organizations.

In addition, the bill establishes a temporary task force administratively attached to the Office of Tourism of the Department of Business, Economic Development and Tourism with the following duties:

1. Development of a comprehensive plan to promote the Aloha spirit among the people of Hawaii in general and among travel industry personnel in particular, which shall consider the undertaking of the following:

- a. The development of a basic and advanced Hawaiiiana program for visitor industry personnel;
  - b. The development and inclusion of a course on Hawaiiiana within the curriculum of the University of Hawaii School of Travel Industry Management;
  - c. The development of similar curricula for the University of Hawaii community college system;
  - d. The integration of introductory Hawaiiiana courses at all high schools; and
  - e. The development of travel industry management and personnel Spirit of Aloha training standards;
2. Examination of relevant programs that currently offer instruction aimed at promoting the Aloha spirit, including those offered by the high school Travel and Tourism Academy Program, the Tourism Training Council, the Visitor Industry Education Council, the Hawaiian Immersion Program, the School of Travel Industry Management at the University of Hawaii and the Hawaiiiana curricula of the Department of Education;
  3. Making recommendations on the programs that should be established to promote the Aloha spirit; and
  4. Reporting to the 1995 Legislature.

In addition, the bill also provides:

1. That the task force shall cease to exist on June 30, 1995; and
2. Funding for the task force in the amount of \$50,000.

Your Committee received testimony in support of this bill from the Department of Business, Economic Development and Tourism, the Department of Labor and Industrial Relations, the Tourism Training Council, the School of Travel Industry Management of the University of Hawaii, the Hawaii Visitors Bureau, Royal Hawaiian Shopping Center, and the Hawaii Hotel Association.

Your Committee finds that:

1. Economic recession in the source markets of Hawaii's visitors and greater competition from other locations require urgent action to maintain Hawaii's desirability as a travel destination by augmenting the famous hospitality that draws visitors to the islands;
2. Revitalization of the Aloha spirit will require strong measures to preserve, nurture and promote understanding of the Hawaiian culture from which Aloha originated; and
3. Such measures must address the need for many visitor industry and other companies to meaningfully involve Hawaiian culture in their management philosophies and practices.

Your Committee revised the bill by:

1. Adding references throughout the bill to the need to preserve and nurture the Hawaiian culture in order to promote the Aloha spirit;
2. Giving responsibility for the visitor and resident surveys to the Office of Tourism of the Department of Business, Economic Development and Tourism, in addition to the Hawaii Visitors Bureau;
3. Adding to the scope of the surveys, the measurement of the attitudes of Hawaii residents with respect to their treatment of each other;
4. Directing the surveys of visitors to measure their attitudes with respect to their encounters with visitor industry personnel and other Hawaii residents;
5. Directing the Office of Tourism to conduct the visitor industry executive seminars, rather than the School of Travel Industry Management;
6. Adding to the membership of the task force the chairperson of the University of Hawaii Committee for the Preservation and Study of Hawaiian Language, Art and Culture, and four members with knowledge of Hawaiian culture, appointed by the Governor to represent each of the four counties;
7. Directing the task force, in developing its comprehensive plan, to consider information from resources such as the results of the resident and visitor surveys conducted pursuant to this bill, and the findings and recommendations of the Hawaiian Culture and Visitor Experience task forces of the 1993 Tourism Congress;
8. In the possible initiatives of the plan, removing the development of travel industry spirit of Aloha training standards and adding development of methods to measure and recognize efforts to promote the Hawaiian culture; and
9. Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3391, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3391, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

**SCRep. 256-94      Energy and Environmental Protection and Intergovernmental Relations and International Affairs on H.B. No. 3438**

The purpose of this bill as received by your Committees is to ensure better organization and coordination of environmental management functions, compliance, enforcement, and policy implementation by consolidating environmental management functions and employees of state government into a Department of Environment.

This bill proposes to accomplish this in part by:

- (1) Establishing the functions, duties, and authority of the Department of Environment (Department);
- (2) Transferring the functions and employees of parts of the:
  - (A) Department of Health;
  - (B) Office of Environmental Quality Control;
  - (C) Office of State Planning;
  - (D) Department of Agriculture; and
  - (E) University of Hawaii;
 to the proposed Department; and
- (3) Forming and convening a transition team to among other things:
  - (A) Develop the appropriate transitional plans;
  - (B) Rework position descriptions;
  - (C) Review personnel classifications;
  - (D) Develop an organizational structure;
  - (E) Prepare a proposed budget; and
  - (F) Attend to other administrative details;

so that the proposed Department can become initially operational.

The need for a Department of Environment has been recognized for some time, most recently by the Governor's Department of Environmental Protection Task Force (Task Force), convened pursuant to Act 293, Session Laws of Hawaii of 1991. The Task Force examined the current system of managing the State's environmental resources and found that problems resulted from the diffusion of authority and responsibility among state, county, and federal planning, management, and regulatory agencies. The Task Force concluded that a centralized framework would improve communications between programs and help to focus resources to address environmental problems, which would lead to more coordinated, proactive resource management.

In addition to increased coordination and resources which would inevitably follow the creation of a new Department of Environment, there are some direct tangible benefits which would affect the regulated community in a number of ways. Permit processing on a timely basis, consistent monitoring and enforcement, and environmental education and technical assistance to the regulated community are some of these benefits.

It is in the public interest to establish a Department of Environment to protect Hawaii's pristine, beautiful, precious, and irreplaceable environment.

Testimony in support of the intent of this bill was submitted by:

- (1) The Chamber of Commerce of Hawaii;
- (2) The Land Use Research Foundation of Hawaii;
- (3) The National Federation of Independent Business;
- (4) The Sierra Club, Hawaii Chapter;
- (5) The Environmental Center of the University of Hawaii;

- (6) The Hawaii Nature Center, Oahu;
- (7) Koolau Agricultural Co., LTD.;
- (8) The Office of State Planning;
- (9) The Department of Health;
- (10) The Office of Environmental Quality Control;
- (11) The U.S. Department of Agriculture, Soil Conservation Service;
- (12) The Development Plan and Zoning Committee of the Pearl City Neighborhood Board No. 21;
- (13) A Professor of Environmental Law at the William S. Richardson School of Law at the University of Hawaii; and
- (14) The first Director of the Environmental Center.

The Hawaiian Sugar Planters' Association, Hawaii's Thousand Friends, and the Hawaii Green Party submitted testimony opposing this bill.

A number of those supporting the intent of this bill expressed concerns regarding the provision that proposes to transfer the Environmental Center from the University of Hawaii into the proposed Department.

The effectiveness of the Environmental Center in fulfilling its responsibilities is due primarily to its ability to draw on its membership--those members of the University community actively concerned with ecological and environmental problems. Even if its present staff were replaced by employees of the proposed Department, there is no way in which the replacements, from their positions outside the University, could possibly draw on the environmental competence dispersed throughout the campuses, colleges, schools, departments, and institutes of the University with anything like the effectiveness of the present staff of the Center. It is conceivable that the staff of the proposed Department might indirectly stimulate the education, research, and service efforts of the University, but it would be impossible for that staff to expand and coordinate those efforts.

The Environmental Center presently maintains a roster of approximately 200 academic community members whom the Center consults for expert advice. It is unlikely that the Center could establish and maintain collegial relationships with such a diverse cross-section of the University community unless the Center itself were part of the University.

Because of the aforementioned reasons, and the overwhelming opposition to transferring the Environmental Center out of the University, your Committees believe that in order for the Environmental Center to maintain maximum objectivity, the Center must remain within the University.

A number of those supporting this bill also testified that the transition team should be comprised of a broad cross-section of the community, to ensure that a broad array of issues are considered, including but not limited to environmental, business, community, educational, and cultural concerns. This would also facilitate the consensus building process which was instrumental in the success of the recent Energy and Environmental Summit. Because the Summit employed a consensus building process, the concerns of all participants were considered. Although the proposals that resulted from the Summit were not perfect, the proposals did receive support from a broad cross-section of the community.

In light of the tremendous success achieved by the Summit through the consensus building process, your Committees concur with this recommendation.

A few testifiers also recommended that members of the Governor's Task Force convened pursuant to Act 293, Session Laws of Hawaii of 1991, be included as members of the transition team, because they already are familiar with issues and principles of the proposed department, and would provide valuable experience and insight.

After free and open discussion, your Committees have amended this bill by:

- (1) Transferring more of the appropriate types of functions and authority into the proposed Department from the Department of Health, pursuant to the Department of Health's testimony;
- (2) Emphasizing the forward-looking management orientation of the proposed Department, into the provision that charges the proposed Department with the responsibility for the formulation and implementation of planning and regulatory programs for environmental protection, pursuant to the Environmental Center's testimony;
- (3) Stressing the importance environmental education has on having environmentally literate citizens who will be able to help solve environmental problems, into the provision that enumerates the powers and duties of the Director of the proposed Department;
- (4) Deleting the provisions that would have transferred the Environmental Center into the proposed Department from the University of Hawaii;
- (5) Clarifying that the transition team consist of members who represent a broad cross-section of the community, including but not limited to representatives from environmental groups, business organizations, community

organizations, environmental education specialists, as well as members of the task force convened pursuant to Act 293, Session Laws of Hawaii of 1991; and

- (6) Making technical, nonsubstantive revisions for purposes of style, clarity, and consistency.

As affirmed by the records of votes of the members of your Committees on Energy and Environmental Protection and Intergovernmental Relations and International Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 3438, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 3438, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representative Hagino.

**SCRep. 257-94 Energy and Environmental Protection on H.B. No. 3253**

The purpose of this bill is to require annual certification of compliance with air pollution standards.

Testimony in support of H.B. 3253 was received from:

- (1) The Department of Health;
- (2) The Hawaiian Electric Company; and
- (3) BHP Petroleum Americas (Hawaii), Inc.

The three testifiers noted that the intent of the bill is consistent with federal regulations under the Clean Air Act and will reduce the confusion that may exist under current law because of differences in state and federal statutes.

No testimony in opposition to the bill was submitted.

Your Committee notes that the bill will help to reduce the bureaucratic burden placed on businesses without sacrificing our natural environment and the health of our citizens.

After free and open discussion, your Committee voted unanimously to pass the bill unamended.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3253 and recommends that it pass second reading and be referred to the Judiciary Committee.

Signed by all members of the Committee except Representative Hirono.

**SCRep. 258-94 Energy and Environmental Protection on H.B. No. 2639**

The purpose of this bill is to allow the Director of Health to look into the past environmental record of a solid or hazardous waste permit applicant for the purpose of imposing conditions on the permit to be issued. This legislation is typically referred to as a bad actor law and it is intended to create obstacles to persons or companies coming to Hawaii to do environmentally related work who have poor records of compliance with environmental regulations in other jurisdictions in which they have done work.

Testimony on the bill was received from:

- (1) Chevron USA;
- (2) Public Affairs Consultants;
- (3) Goodsill, Anderson, Quinn and Stifel;
- (4) Life of the Land;
- (5) The Sierra Club;
- (6) The Department of Health (DOH); and
- (7) Other concerned citizens.

The Department of Health testified that they would need additional resources if there were required to perform background checks on those submitting applications for permits.

Chevron USA offered amendments that would require that only offenses of a certain level of seriousness would be covered under this measure.

The Sierra Club supported the concept of a "bad actor" provision in the law since they believe that DOH does not have the authority to deny a permit from an applicant with a history of environmental abuse. The Sierra club noted that Ohio and 21 other states have adopted similar provisions, yet they expressed concerns that the measure, as drafted, grandfathered in all existing permittees and does not give DOH adequate authority to protect the public.

A private attorney who participated in the Summit process noted that while aware that both the business and environmental communities would like to make changes, this bill "is a significant first step in dealing with an extremely difficult issue." Furthermore, he testified that this bill does provide to DOH the authority to address the bad actor situation and that its implementation will give everyone an opportunity to determine how well and how effectively such a system would work.

Your Committee was surprised by the number and nature of the amendments offered on this measure in light of the extensive discussion that took place on this issue during the Summit process. Your Committee, out of respect for the Energy and Environmental Summit process, and convinced that this measure, as drafted represents a significant beginning in dealing with a serious potential problem made only minor technical amendments.

Your Committee voted unanimously to pass HB 2639 with minor technical amendments to comply with federal commerce law, on page 4, lines 1-8.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2639, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2639, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representatives Hiraki, Hirono and Takamine.

**SCRep. 259-94 Energy and Environmental Protection on H.B. No. 2631**

Testimony in support of H.B. 2631 was received by the following organizations and individuals:

- (1) The Division of Consumer Advocacy, Department of Commerce and Consumer Affairs;
- (2) Hawaiian Electric Company, Inc.;
- (3) The Sierra Club, Hawaii Chapter;
- (4) The Pacific International Center for High Technology Research;
- (5) The Puna Community Council;
- (6) The Big Island Electric Vehicle Association; and
- (7) Life of the Land.

The Department of Business, Economic Development and Tourism supports the intent of the bill but prefers H.B. 2628 which emphasizes the transportation energy component of comprehensive energy planning, now within the state energy resources coordinator's role and responsibilities.

The Hawaiian Electric Company and the Division of Consumer Advocacy strongly supported the bill, although they felt that the externality review portion of the bill should be amended to reflect the concept of benefits as well as costs. In addition, the Pacific International Center for High Technology Research recommended that the Legislature consider the means to implement this policy in forthcoming legislation.

Your Committee agreed to unanimously pass H.B. 2631 with amendments as suggested by the Consumer Advocacy Division. The amendments to the bill are:

- (1) to change Page 2, line 18 to read "Health costs and benefits of the energy..."; and
- (2) inserting on Page 2, line 23 a definition of the term "benefits" as used in the section.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2631, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2631, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hirono.

**SCRep. 260-94 Energy and Environmental Protection on H.B. No. 3038**

The purpose of this bill is to establish within the Department of Health (DOH) a program to address indoor air pollution.

Testimony in support of H.B. 3038 was received from DOH and the Sierra Club. Both testimonies emphasized the fact that indoor air pollution is a potential health problem.

Your Committee believes that indoor air pollution can become a serious health problem, if it is not already, especially in our state's highly urbanized areas.

Your Committee recognized the efforts of DOH, particularly its Hawaii Environmental Risk-Ranking Project, to identify potential and existing health problems in order to effectively counter them. Indoor air pollution was found, by this project, to be one of the most serious environmental problems in Hawaii in terms of its potential for harm relative to the funds expended by DOH to address it.

It is the intent of this bill to assist the Department of Health in these efforts, by establishing within DOH an indoor air quality program.

Recognizing the need to establish such a program within the Department, your Committee voted unanimously to pass the bill unamended.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3038 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hirono.

**SCRep. 261-94 Human Services on H.B. No. 3382**

The purpose of this bill is to amend the expenditure of public money and public contracts law relating to products and services of persons with disabilities to ensure that contracts with qualified community rehabilitation programs be renewed annually. The bill also updates definitions of "handicapped individual" to "persons with disabilities" and "qualified rehabilitation facility" to "qualified community rehabilitation program."

Testimony from Commission on Persons with Disabilities and Ka Lima O Maui was received in support of this measure.

It is noted by your Committee that this measure will help provide more stable work opportunities for disabled persons and helps those on welfare become productive, contributing individuals.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3382 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Duldulao, Peters and Tanimoto.

**SCRep. 262-94 Human Services on H.B. No. 2199**

The purpose of this bill is to make any person with responsibility over a minor guilty of a misdemeanor when that person acts or omits to act, or encourages, persuades, or induces the minor to commit acts which damage property or injure persons which brings the minor within the jurisdiction of the family court.

Testimony from five individuals involved with Community Quest and 2 individual citizens was received in support of this measure.

Upon further consideration, your Committee has amended the bill by deleting the substantive part of this bill and by adding new language requiring any person with responsibility over a minor to attend counseling with the minor when the minor commits acts which damage property or injure persons which brings the minor within the jurisdiction of the family court.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2199, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2199, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Duldulao, Peters and Tanimoto.

**SCRep. 263-94 Labor and Public Employment on H.B. No. 3444**

The purpose of this bill is to control the continuing escalation in the cost of workers' compensation insurance by:

- (1) Prohibiting fee splitting by attorneys, physicians, or health care providers;
- (2) Deleting the automatic yearly Consumer Price Index adjusted to the medical fee schedule; and
- (3) Requiring restitution for fraudulently claimed benefits.

In addition, this bill increases the amount of penalty for late payment of benefits.

Testimony in favor of this measure was submitted by the Department of Labor and Industrial Relations, the Construction Industry Legislative Organization, Inc., and the Hawaii Business League. The Hawaii Insurers Council and the Hawaii State Chiropractic Association submitted testimony supporting the intent of the bill, along with proposed amendments to this measure. The Hawaii Nurses' Association submitted testimony supporting in part and opposing in

part the measure heard by your Committee. Your Committee also received testimony from the Chamber of Commerce of Hawaii supporting the intent of this measure, but indicating its preference for H.B. No. 3644 as a more comprehensive measure. Testimony in opposition of this measure was received from the Hawaii State AFL-CIO and the ILWU Local 142.

Your Committee believes that:

- (1) Prohibiting fee splitting will discourage unnecessary referrals and, as a result, control escalating costs;
- (2) Deleting the automatic adjustment to the medical fee schedule will help control rising medical costs; and
- (3) Increasing the amount of penalty for late payment of benefits will encourage employers and insurance carriers to make timely benefit payments.

This bill has been amended by:

- (1) Clarifying that penalty provisions for not paying the temporary total disability benefits in a timely basis apply after the employer or carrier has been notified of the disability;
- (2) Automatically placing the penalty for non-payment of compensation by an employer or insurance carrier at twenty percent, thus encouraging employers and carriers to make timely benefit payments; and
- (3) Making technical, nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3444, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3444, H.D. 1, and be referred jointly to the Committees on Consumer Protection and Commerce, and Judiciary.

Signed by all members of the Committee except Representative Alcon.

**SCRep. 264-94 Health on H.B. No. 2360**

The purpose of this bill is to provide funds to enable the State Laboratories Division to move to the new laboratory building at Waimano to operate this building, to purchase laboratory equipment which are necessary to maintain continuity of analytical services, and one position count.

Testimony in strong support of this bill was submitted to your Committee by the Department of Health.

Your Committee notes that the Department of Health has constructed a new laboratory building at Waimano and now plans to move into the structure. However, your Committee realizes that moving to the new building will cost money. It was noted by your Committee that, due to an oversight, these monies were not included in the original budget request by the Department of Health.

Upon further consideration, your Committee had grave concerns regarding the original amount appropriated for the construction and associated costs of the new laboratory building. Therefore, your Committee has requested that the Department of Health submit to the Committee a breakdown of monies (approximately \$35 million) expended on the new facility.

After careful consideration, your committee has amended this bill by appropriating the amount of \$1 for the purposes of further discussion.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2360, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2360, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki and Tanimoto.

**SCRep. 265-94 Health on H.B. No. 3163**

The purpose of this bill is to replace the requirement for premarital serologic testing for rubella with a requirement for prenatal serologic testing for rubella.

Proponents of this bill included the Department of Health and the Hawaii Medical Association.

Your Committee notes that currently, prenatal screening for rubella is considered standard practice by the American College of Obstetricians and Gynecologists. It was also noted that prior to the introduction of a rubella vaccine, Hawaii had well over 1000 cases of rubella each year. However, as a result of immunization and premarital testing efforts, the current incidence rate of rubella in Hawaii is 1 in 100,000. Further, your Committee recognizes that this bill will identify the small number of women who are susceptible to rubella and place the responsibility of counseling these women on the risks of remaining unimmunized upon their physician.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3163 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Arakaki and Tanimoto.

**SCRep. 266-94 Health on H.B. No. 3164**

This bill creates advisory committees, authorized by the Director of Health, within the Department of Health to advise health care workers who are infected with the Human Immunodeficiency Virus (HIV) or the Hepatitis B virus (HBV) concerning the risk of transmitting their infection to patients in the course of their work.

Testimonies in support of this measure were received from the Department of Health, the Maui AIDS Foundation, the Life Foundation, the Governors Committee on HIV/AIDS, the Big Island AIDS Project, the Hawaii Medical Association, the Kauai AIDS Project, and a number of various organizations and individuals.

Your Committee notes that while the transmission of HIV and Hepatitis B by health care workers is rare, there is still a possibility that this can occur. Your Committee further notes that these diseases can be deadly and can be passed on to patients the health care worker comes into contact with. It was realized by your Committee that a way to combat this in the health care field was to set up advisory committees made up of experts in disease transmission, as well as a physician and the workers peers. Through this committee, the health care worker could seek advice and guidance from the advisory committee and follow their recommendations while maintaining confidentiality.

Also, it was brought to your Committee's attention that Federal law requires each state to establish a mechanism to prevent transmission of these viruses by infected health care workers. The Department of Health stated that although the establishment of advisory committees would solve the federal law requirement, many professionals had concerns about serving on these committees due to questions regarding liability. It was understood by your Committee that legislative authorization is needed in order that the committee members, made up of health care professionals serving in a voluntary capacity, may be indemnified.

Accordingly, your Committee has amended this bill by:

- (1) Adding language to include other blood borne pathogens, besides HIV and HBV, as diseases that would be advised upon by the advisory committee.
- (2) Amending wording so that the health care workers' personal physician may be part of the advisory committee rather than shall be part of the advisory committee.

Other technical, non-substantive amendments were made for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3164, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3164, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki and Tanimoto.

**SCRep. 267-94 Health on H.B. No. 3676**

The purpose of this bill is to authorize the use of special purpose revenue bonds to assist the Queens Health Systems and its not-for-profit subsidiaries to secure tax exempt financing of qualified projects.

Testimony in support of this bill was received from the Queens Health Systems.

It was brought to the attention of your Committee that tremendous change was going on in the nations health care system and that health care providers, like the Queens Health System, have a goal of creating a more accessible and quality conscious, yet cost effective, delivery system. Further, it was noted by your Committee that the proceeds from these will not be used in the traditional sense of increasing the capacity of Queens' existing health care facilities, but instead help fund the transformation of their existing, fragmented health care delivery system, to a cost effective, user friendly, integrated health care delivery system.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3676 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki and Tanimoto.

**SCRep. 268-94 Higher Education and the Arts on H.B. No. 2474**

The purpose of this bill is to provide for the protection, education, and welfare of the citizens of the State, its degree-granting institutions, and its students by:

- (1) Establishing minimum standards concerning quality of education, ethical and business practices, health and safety, and fiscal responsibility, to protect against substandard, transient, unethical, deceptive, or fraudulent institutions and practices;
- (2) Prohibiting the granting of false or misleading educational credentials;

- (3) Regulating the use of academic terminology in naming or otherwise designating educational institutions;
- (4) Prohibiting misleading literature, advertising, solicitation, or representation by educational institutions or their agents;
- (5) Providing for the preservation of essential academic records; and
- (6) Providing certain rights and remedies to the consuming public and the state post-secondary education commission.

Testimony in support of this measure was submitted by the Director of Planning and Policy for the University of Hawaii; the Department of Commerce and Consumer Affairs; and University of Hawaii Professional Assembly.

The Legislative Reference Bureau submitted information on unaccredited degree-granting institutions in Hawaii as of September 1, 1993. Pacific Western University submitted information on their University's mission for the record. A recent graduate of Greenwich University submitted testimony stating that despite the presumably noble intentions of the sponsors of this bill, it goes beyond reasonable regulation of higher education. International University submitted testimony requesting that those who are to be affected by this bill should have sufficient time to study the details and implications. The President of Friends of Learning, Inc. submitted comments on this measure. Concerned citizens submitted testimony against the current structure of this measure. The Director of Admissions for Hawaii and the Pacific Rim for Kennedy-Western University and Greenwich University submitted testimony in opposition to this measure.

Your Committee believes that the provisions in this measure reflect the direction taken by many states on the mainland, and focuses on regulating "diploma mill" institutions operating in the State.

Upon careful consideration, your Committee has amended this measure by:

- (1) Deleting the Tuition Guaranty Fund; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2474, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2474, H.D. 1, and be referred to the Committees on Consumer Protection and Commerce and Judiciary.

Signed by all members of the Committee except Representatives Apo, Arakaki, D. Ige, M. Ige, Shon and Tanimoto.

**SCRep. 269-94 Higher Education and the Arts on H.B. No. 2472**

The purposes of this bill are to:

- (1) Establish a Hawaii Museum Center in which a number of museums reflecting the history and culture of Hawaii may be housed; and
- (2) Direct the Department of Land and Natural Resources to acquire a specific parcel of land for the museum site.

Testimony in support of this measure was submitted by the Department of Land and Natural Resources; Bishop Museum; the Hawaii Museums Association; the Vice-President of the Hawaii Museum Center and the Pacific War Museum; the President of the Pacific Aerospace Museum; and the Director of the Ethnic Studies Program at the University of Hawaii. The Office of State Planning submitted comments on this measure. Testimony in opposition to this measure was submitted by the Department of Accounting and General Services.

Your Committee has amended this bill by:

- (1) Deleting the provision to place the Steering Committee in the Archives Division of the Department of Accounting and General Services;
- (2) Deleting the provision that the Governor shall appoint the members of the Steering Committee; and
- (3) Deleting the provisions that the Steering Committee shall include representatives from the House of Representatives and the State Senate.

This bill has been further amended by:

- (1) Stating that the Steering Committee shall submit a report at least twenty days prior to the convening of the 1995 Regular Session;
- (2) Stating that the members of the Steering Committee shall serve without compensation as volunteers;
- (3) Stating that the Department of Land and Natural Resources, in cooperation with the United States Park Service, shall negotiate with the Federal government to acquire title to the property for the museum site;

- (4) Deleting the appropriation section since the Steering Committee will be comprised of volunteers; and
- (5) Making technical, nonsubstantive amendments for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2472, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2472, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Apo, Arakaki, D. Ige, M. Ige, Shon and Tanimoto.

**SCRep. 270-94 Higher Education and the Arts on H.B. No. 3499**

The purpose of this bill is to appropriate funds for:

- (1) Conducting feasibility studies in the City and County of Honolulu, County of Hawaii, County of Maui, and County of Kauai on constructing an arts complex for the visual, performing, and dramatic arts;
- (2) Renovating the Mabel Smyth building to sponsor dramatic performances and poetry readings;
- (3) Purchasing the lease of Paradise Park for the purpose of sponsoring dance performances; and
- (4) Renovating Koko Head Job Corps to develop an arts center.

Testimony in support of this measure was submitted by the Artists for a Visual Arts Center; Ballet Hawaii; Pacific Potters Guild; Inner Ecology Arts; National League of American Pen Women; Hawaii Watercolor Society; Brushstrokes; the Commission on Culture and the Arts of the City and County of Honolulu.

The Department of Accounting and General Services stated that in its current format, the bill precludes an open selection to contract consultation services for the City and County of Honolulu, and excludes the option to contract consultation services for the other three counties altogether. Thus, the Department of Accounting and General Services recommended that alternatives be explored to increase open opportunities for participation of community groups and art organizations interested in the feasibility study. The Department of Land and Natural Resources submitted testimony stating that it is unable to support this bill due to the short fall of revenues and because the appropriation is not a budgeted item in the Executive Biennium Budget.

Upon careful consideration, your Committee has incorporated some of the recommendations of the Department of Accounting and General Services by making the following amendments:

- (1) Stating that if the City and County of Honolulu's Commission on Culture and the Arts (Commission) elects to contract with a consultant, the Commission shall cooperate with representatives from the visual, performing, and dramatic arts;
- (2) Stating that the needs assessment shall be prepared by the cultural community; and
- (3) Stating that the Commission shall develop findings and recommendations, if any, in cooperation with representatives from the visual, performing, and dramatic arts.

This bill has been further amended by deleting the appropriation section for the lease purchase of Paradise Park.

Technical, nonsubstantive amendments to the bill have also been made for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3499, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3499, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Apo, Arakaki, D. Ige, M. Ige, Shon and Tanimoto.

**SCRep. 271-94 Agriculture on H.B. No. 3298**

The purpose of this bill is to appropriate funds for the control of apple snails.

Your Committee recognizes that the apple snail continues to be a perennial problem for Hawaii's agricultural community. This harmful pest is responsible for the destruction of wetland taro, and threatens the commercial production of taro statewide. It is found on four major islands in Hawaii.

The methods used by farmers to control or eradicate the apple snail include:

- (1) Hand-picking the snails;

- (2) Training cayuga ducks to eat the snails in paddies; and
- (3) Developing a gas-engine driven vacuum cleaner to suck up snails from the mud and pulverize the snails.

Your Committee notes that no molluscicides are currently registered in Hawaii for use for aquatic snail control. According to the Department of Agriculture (DOA), it is investigating the possibility of other control measures that could minimize the use of molluscicides, especially in environmentally sensitive areas.

Your Committee received testimony in support of the bill from the mayor of the County of Kauai and the Kaua'i County Farm Bureau. A taro farmer representing the taro industry on Kauai also testified in strong support of the bill. The DOA testified in support of the intent of the bill, insofar that the appropriation contained in the bill does not replace the DOA's current priorities as indicated in the Executive Supplemental Budget.

Upon consideration, your Committee has amended the bill by decreasing the appropriation sum from \$100,000 to \$25,000 for fiscal year 1994-1995 for the control of apple snails.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3298, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3298, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Ishii-Morikami and Marumoto.

**SCRep. 272-94 Health on H.B. No. 2924**

The purpose of this bill is to create a comprehensive system of pediatric medical services separate from the existing system of emergency medical services by adding a new Part to Chapter 321, Hawaii Revised Statutes.

Testimony in support of the bill was received from the Department of Health, Kapiolani Medical Center, and the Hawaii Medical Association. According to testimony presented, the emergency medical needs of children are substantially different from those of adults, indicating a need for special attention to be given to children in this area.

However, the Department of Health also testified that the provisions of the bill do not conform with Hawaii's existing excellent emergency medical services (EMS) system. The Department expressed the concern that the establishment of a separate advisory committee for EMS for children may fragment existing EMS system standards.

Addressing this concern, Kapiolani Medical Center's testimony included a suggestion for an amendment to delete the creation of a new Part to Chapter 321, and instead, to include representation on the existing State Emergency Medical Services Advisory Council with a physician and allied health personnel, each with pediatric orientation. This amendment would support the existing Advisory Council for EMS and provide for a pediatric orientation. Your Committee amended the bill to effect this change. The bill was also amended to establish within the Department of Health the emergency medical services for children program and to define "emergency medical services for children."

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2924, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2924, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Arakaki.

**SCRep. 273-94 Tourism on H.B. No. 2880**

The purpose of this bill is to appropriate funds to the Visitor Industry Education Council (VIEC) for tourism awareness workshops, a media campaign on the benefits of tourism, the teacher/counselor internship program and the development of curriculum materials.

Your Committee received testimony in support of this bill from the Department of Business, Economic Development and Tourism, the Maui Hotel Association, the Visitor Industry Education Council, Media Matters Inc., The Chamber of Commerce of Hawaii, the Hawaii Visitors Bureau, and the Hawaii Hotel Association.

Your Committee finds that Hawaii has suffered from its failure to give due recognition to the valuable role of the visitor industry in maintaining Hawaii's economic viability. Visitor industry awareness programs, conducted by the VIEC, which has a long, proven track record, can help to improve Hawaii's perception of the industry that drives its economy.

Your Committee revised the bill by:

- 1. Changing the appropriation amount to \$1 for the purpose of continuing discussion of the bill;
- 2. Removing "workers in the visitor industry" and "Hawaii's educators" from the description of the targets of the statewide program of tourism awareness workshops;
- 3. Removing the statewide teacher/counselor internship program for the Department of Education; and
- 4. Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2880, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2880, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

**SCRep. 274-94 Hawaiian Affairs and Higher Education and the Arts on H.B. No. 2868**

The purpose of this bill is to provide the committee for the preservation and study of Hawaiian language, art and culture, funds for project research to the level of prior fiscal year on those subjects and topics germane and essential to Hawaiian language.

Favorable testimony was presented by the University of Hawaii at Manoa, Community Development Pacific, the Council of Hawaiian Organizations and other concerned citizens.

All those who testified for this bill stressed how important continued support for this project is. Further, they offered evidence of success gained from the previous years apportionment.

As affirmed by the record of votes of the members of your Committees on Hawaiian Affairs and Higher Education and the Arts that is attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2868 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Apo and D. Ige.

**SCRep. 275-94 Hawaiian Affairs on H.B. No. 2800**

The purpose of this bill is to pass title to the Office of Hawaiian Affairs (OHA) of any interest to kuleana lands acquired by escheat prior to July 1, 1977, if the person claiming ownership fails to file an appropriate claim by December 31, 1996.

Between the Great Mahele of 1848 to 1977, Hawaii law provided that when an owner of kuleana land died without heirs, the kuleana escheated to the owner of the surrounding land. The law recognized that the owners of lands surrounding kuleana, oftentimes konohiki, were charged with the stewardship of both their lands and the land of the commoners located therein. However, because many of the lands surrounding kuleana passed out of the hands of the konohiki, these lands eventually fell into private landownership.

With the passage of the Uniform Probate Code in 1977, all unclaimed property thereafter passed to the State, including kuleana lands. In 1987, Act 307 provided that where there is no taker of kuleana lands under the intestate succession part of the Probate Code, such lands would pass to the Department of Land and Natural Resources (DLNR). DLNR was directed to hold the land in trust until OHA developed a land management plan for the use and management of the kuleana properties. Upon approval of the plan, the kuleana land would transfer to OHA.

According to OHA, the need for this bill arose in 1993, when a court ruled that OHA's kuleana escheat interest could not apply retroactively and only the death of kuleana owners after the passage of the Uniform Probate Code in 1977, would give OHA standing.

DLNR opposed this bill, because it believed that it would severely disrupt current landownerships and tenure as well as rights of security interest holders. Ka Lahui Hawaii, Ka Lahui Hawaii Political Action Committee, and the Honolulu District of Ka Lahui Hawaii also opposed the bill and urged that OHA should facilitate the identification of heirs and descendants through title and genealogical searches.

Your Committee worked closely with interested parties in order to improve this bill. Upon further consideration, your Committee has amended this bill by:

- (1) Replacing the phrase "kuleana land acquired by escheat" with "kuleana land based on an escheat" (page two, line 11). This amendment will protect any title ratified by the courts prior to the enactment of this bill;
- (2) Replacing the phrase "identifying the person whose intestate death resulted in the escheat" with "identifying by name the person whose intestate death resulted in the escheat" (page three, line 1). This amendment will allow OHA to conduct a genealogical search for heirs if a person is actually named;
- (3) Deleting the first sentence in paragraph 4 which read: "Certifying that all real property taxes payable with respect to the owner's interest in the kuleana for the previous ten years have been paid." It is not necessary to tie any tax payments to the process of award;
- (4) Inserting a new subsection (c) that directs OHA to conduct genealogical search for heirs and hold any unclaimed lands in trust for two years to allow rightful heirs to claim their award (page three, line 15 to page four, line 6). Subsection (c) also requires published notices to heirs; and
- (5) Making technical, non-substantive amendments to the bill for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2800, as amended herein, and recommends

that it pass Second Reading in the form attached hereto as H.B. No. 2800, H.D. 1, and be referred to the Committee on Water and Land Use Planning.

Signed by all members of the Committee except Representative Lee.

**SCRep. 276-94            Judiciary on H.B. No. 1642**

The purpose of this bill is to allow the Family Court to use school attendance records as prima facie evidence that a child has not attended school or has not received educational services in cases concerning a child who is neglected or deprived of educational services because of the failure of any person or agency to exercise the degree of care for which it is legally responsible.

The law currently allows such use of school attendance records only in cases where the child is not attending school or receiving educational services because of the child's own misbehavior or nonattendance.

Your Committee heard testimony in favor of this bill from the Department of Education.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1642 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Bunda, Peters and Takamine.

**SCRep. 277-94            Judiciary on H.B. No. 2319**

The purpose of this bill is to provide that a father's voluntary acknowledgement of paternity is admissible as evidence of paternity in any family court proceeding.

Your Committee received testimony in favor of this bill from the Department of Corporation Counsel of the City and County of Honolulu, the Office of the Corporation Counsel of the County of Hawaii, and the Office of the State Attorney General.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2319 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Oshiro, Peters and Takamine.

**SCRep. 278-94            Judiciary on H.B. No. 2988**

The purpose of this bill is to repeal the service of process law that requires the Supreme Court to license civil process servers.

The present law requires the Supreme Court to license civil process servers. No funds were ever appropriated and no personnel were ever authorized to implement this program. Chapter 634D, Hawaii Revised Statutes, was made unnecessary when the Supreme Court, pursuant to its rule making authority under Article VI, Section 7, of the Hawaii Constitution, amended the rules of civil procedure so that anyone over the age of eighteen and not a party to the case may serve process in a civil action.

Your Committee received testimony in support of this measure from the Judiciary.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2988 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Bunda, Hirono, Menor, Oshiro, Peters and Thielen.

**SCRep. 279-94            Judiciary on H.B. No. 2303**

The purpose of this bill is to allow an adoption to be set aside or modified up to one year after entry of the adoption decree upon a finding that it is in the best interests of the child, rather than for good cause.

Your Committee received testimony on this bill from the Committee for Adoption Reform Education, Child and Family Service, and an individual attorney.

Your Committee finds that the standard of good cause is the appropriate standard to be applied in adoption cases, and that it entails a finding by the court of fraud, duress, or undue influence.

Your Committee has amended this bill by deleting the proposed standard of best interests of the child and replacing it with the standard of good cause, which reflects the existing law. Your Committee has also added a definition of good

cause to clarify the existing law, as a finding of fraud, duress, or undue influence which is supported by clear and convincing evidence.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2303, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2303, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Oshiro, Peters and Takamine.

**SCRep. 280-94                    Judiciary on H.B. No. 2318**

The purpose of this bill is to require that paternity determinations from other states be treated the same as paternity adjudications in the State of Hawaii.

Your Committee received testimony in favor of this bill from the Department of the Corporation Counsel of the City and County of Honolulu, the Office of the Corporation Counsel of the County of Hawaii, and the Office of the Attorney General.

Your Committee agrees with the testimony received, and has amended the bill to provide that paternity determinations from United States territories, as well as other states, shall be recognized in Hawaii.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2318, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2318, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Oshiro, Peters and Takamine.

**SCRep. 281-94                    Judiciary on H.B. No. 2323**

The purpose of this bill is to provide that service of process on a garnishee with places of business in more than one judicial circuit or district acts as service on all places of business within the State. This bill also allows a judgment creditor to examine any person with knowledge of the affairs of the debtor for debts which may be due to him and payable in the future, and after disclosure of debt, gives the judgment creditor a lien on that debt.

Testimony in support of this bill was received by the Committee from individual attorneys.

Your Committee is concerned that Section 2 of the bill, which allows for examination of any person with knowledge of the affairs of the debtor, may be too open-ended; and therefore, your Committee has amended the bill by deleting that portion of the bill.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2323, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2323, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hirono, Menor, Peters and White.

**SCRep. 282-94                    Judiciary on H.B. No. 2421**

The purpose of this bill is to amend the Family Court law regarding juvenile records by permitting the release of a juvenile's name, age, offense, circumstances of the offense a juvenile is charged with, and the court status and disposition of the case and sentence, if any, where the juvenile is not less than twelve years old and the offense would constitute murder in the first degree, attempted murder in the first degree, murder in the second degree, attempted murder in the second degree, robbery in the first degree, sexual assault in the first degree, kidnapping, or the use of a firearm in the commission of a felony.

Your Committee received testimony from the Judiciary, the Office of the Public Defender, the Department of the Prosecuting Attorney of the City and County of Honolulu, and the Department of the Prosecuting Attorney of the County of Maui.

Your Committee believes that information relating to the juvenile should only be released if a juvenile has been adjudicated as a law violator, and only after the court has determined that the release of information will not be harmful to the parties involved.

Your Committee has amended this bill by:

- (1) Changing paragraph (j) in Section 1 of the bill to refer to juveniles who have been adjudicated rather than juveniles who have been charged with an offense; and
- (2) Changing paragraph (j) in Section 1 of the bill to require the court to consider irreparable harm to the juvenile adjudicated, harm to the victim, and harm to the families involved in the case in determining whether or not the information should be open to public inspection.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2421, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2421, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Oshiro, Peters and Takamine.

**SCRep. 283-94                    Judiciary on H.B. No. 2979**

The purposes of this bill are to:

- (1) Allow fines to be imposed for judgments, in addition to convictions, for certain traffic offenses; and
- (2) Permit judicial discretion in imposition of fines.

Your Committee received testimony in favor of this bill from the Judiciary, which pointed out that the bill will bring the current statute in line with the decriminalization of traffic offenses under Act 214, Session Laws of Hawaii 1993.

The Committee has amended the bill by:

- (1) Changing its effective date from July 1, 1994, to the date of its approval by the Governor; and
- (2) Making other technical, nonsubstantive amendments.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2979, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2979, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Bunda, Hirono, Menor, Oshiro, Peters and Thielen.

**SCRep. 284-94                    Finance on H.B. No. 3187**

The purpose of this bill is to simplify the assessment of interest on taxes due by providing that interest is charged beginning with the first calendar day following the tax due date even if the due date falls on a weekend or holiday.

The Department of Taxation testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3187 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Pepper and Tajiri.

**SCRep. 285-94                    Finance on H.B. No. 3003**

The purpose of this bill is to exempt agricultural and horticultural organizations from the general excise tax.

The Department of Taxation testified on the bill and did not oppose it. The Tax Foundation of Hawaii also testified.

Your Committee has made technical, nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3003, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3003, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Pepper and Tajiri.

**SCRep. 286-94                    Tourism on H.B. No. 2272**

The purpose of this bill is to require the Office of Tourism to develop marketing plans for supporting sports events that will:

1. Increase the number of visitors to Hawaii;
2. Generate the highest economic returns;
3. Provide the widest media exposure;
4. Minimize expenditure of funds or will generate returns in a highly favorable cost-benefit ratio; and
5. Provide the longest commitments for operation in Hawaii.

Your Committee received testimony in support of this bill from The Chamber of Commerce of Hawaii and the Hawaii Hotel Association, and comments from the Department of Business, Economic Development and Tourism.

Your Committee finds that sports events serve as valuable tools for tourism promotion, but they need closer coordination. Their incorporation into the tourism marketing plan and the selection of events to support, based on clear, objective, criteria, would reinforce other tourism promotion efforts.

Your Committee revised the bill by:

1. Adding cultural events to the types of events to receive support;
2. Clarifying the Office of Tourism duties, requiring it to provide support for events that fulfill the criteria, in accordance with the tourism marketing plan;
3. Adding a provision requiring the tourism marketing plan to include sporting and cultural events that fulfill the criteria; and
4. Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2272, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2272, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Ishii-Morikami and Lee.

**SCRep. 287-94 Hawaiian Affairs on H.B. No. 3630**

The purpose of this bill is to facilitate the efforts of the Hawaiian people to be governed by an indigenous sovereign nation of their own choosing. This bill replaces the Hawaiian Sovereignty Advisory Commission (Commission), which was established by Act 359, Session Laws of Hawaii (SLH) 1993, with a Hawaiian Sovereignty Elections Board (Board). Rather than serve in an advisory capacity to the Legislature, this Board would be authorized to, among other things:

- (1) Conduct a 1995 special election for Hawaiians to determine whether they want to begin the process to restore sovereignty;
- (2) Provide for an apportionment plan;
- (3) Establish the eligibility of delegates;
- (4) Establish the size and composition of the delegations; and
- (5) Establish the dates for the special elections.

Under this bill, the functions and duties of the Commission would be transferred to the Board.

The following submitted testimony on this bill: the Hawaiian Sovereignty Advisory Commission; the Office of Hawaiian Affairs; the Office of State Planning; Alu Like, Inc.; the Legislative Reference Bureau; a business consultant/general agent; the Association of Hawaiian Civic Clubs; the Hawaiian Civic Club of Honolulu; Hui Kakoo; Ka Lahui Hawaii; Ka Lahui Hawaii Political Action Committee; Na Koa Ikaika; the Pro-Hawaiian Sovereignty Working Group; Ka Pakaukau; the Kanaka Maoli Tribunal Komike; the Aboriginal Native Hawaiian Association; the State Council of Hawaiian Homestead Associations; and five concerned individuals.

Your Committee learned that in recent months, the Commission held 36 meetings in the community in an effort to give all Hawaiians a voice in creating a new Hawaiian nation. On February 5, 1994, some 240 individuals and 102 Hawaiian organizations participated in a meeting sponsored by the Commission. During this meeting, one of the main criticisms was the need for a process that is separate from the State. Because it currently serves in an advisory role to the Legislature, some view the Commission as a puppet of the government.

Your Committee finds that the Commission should be given the opportunity to continue the work that it has begun. With its demanding schedule of community meetings, the Commission is beginning to draw people into the process. For this reason, if the Commission were to be replaced at this stage, there would be a substantial loss of momentum, coming at a crucial time in the process. Moreover, the Commissioners are just now developing the important attributes necessary to carry forth the Commission's agenda. These attributes include intellect as well as a sense of spirituality and dignity.

Accordingly, your Committee has amended this bill by:

- (1) Deleting references to the Board (Section 5);
- (2) Removing the advisory nature of the Commission by providing it with the authority originally earmarked for the Board; and re-naming it the Hawaiian Sovereignty Commission;
- (3) Deleting language relating to the transfer of the rights, powers, functions, and duties of the Commission to the Board;
- (4) Deleting provisions which would have repealed Act 359, SLH 1993;

- (5) Making other amendments to Act 359, SLH 1993, for consistency purposes; and
- (6) Making technical, nonsubstantive amendments for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3630, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3630, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives D. Ige and Tanimoto.

**SCRep. 288-94                      Judiciary on H.B. No. 3721**

The purpose of this bill is to appropriate funds to upgrade the telecommunications system of the Honolulu Police Department, specifically, to complete the Trunked Radio System and to acquire a Mobile Data Terminal System.

Your Committee received testimony in support of the bill from the Honolulu Police Department. Your Committee understands that the Honolulu Police Department is amending its request for funding by requesting \$5,987,000 for Phase III of the Trunked Radio System, which will be sufficient funding to allow the system to be totally operational, and by deleting its request for Phase IV (Mobile Data Terminal Radio System). Your Committee understands that this appropriation will result in the State and the City and County of Honolulu contributing equal amounts of funds to the Phase III System.

Your Committee has amended this bill by deleting all references to the Phase IV Mobile Data Terminal Radio System and by changing the appropriation for Phase III to the sum of \$5,987,000.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3721, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3721, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hirono, Oshiro, Peters, Takamine and White.

**SCRep. 289-94                      Judiciary on H.B. No. 3719**

The purpose of this bill is to clarify laws pertaining to the compensation of police officers who are subpoenaed to testify as a witness for the State.

More specifically, this bill would:

- (1) Provide that police officers compelled to be available for any length of time be entitled to overtime compensation, and clarify that compensation is to be provided for the undue hardship of remaining available and disruptions of personal life;
- (2) Require the State to reimburse the county for overtime compensation of police officers being served standby subpoenas; and
- (3) Require fixed trial dates to be assigned whenever possible to prevent the undue hardship of standby subpoenas.

Supportive testimony was submitted by the Honolulu Police Department.

Your Committee finds that many police officers served standby subpoenas are required to be available for extended periods of time, sometimes for months on end, to attend and testify as witnesses for the State. This bill would require the State to reimburse the counties for this resulting overtime compensation.

It is the intent of your Committee that fixed trial dates be assigned to cases, whenever possible, to prevent undue hardship on officers and reduce the State's obligation to compensate overtime expenses.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3719 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hirono, Oshiro, Peters, Takamine and White.

**SCRep. 290-94                      Judiciary on H.B. No. 3473**

The purpose of this bill is to appropriate funds to compensate victims of criminal injury who have been awarded compensation by the Criminal Injuries Compensation Commission.

Your Committee heard testimony in favor of this bill from the Criminal Injuries Compensation Commission. The Commission suggested that the amount of the appropriation be changed, however, from \$1,018,292.65 to \$993,249.41.

In light of increasing concern about crime in our society, your Committee believes it is important to compensate victims of criminal injury. The Committee has amended the bill by changing the amount of the appropriation to that recommended by the Criminal Injuries Compensation Commission.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3473, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3473, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Hirono, Menor, Peters and Takamine.

**SCRep. 291-94                      Judiciary on H.B. No. 3412**

The purpose of this bill is to appropriate funds to be expended by the Department of the Attorney General for the establishment of a truancy hotline program.

Supportive testimony was submitted by the Superintendent of Education (Superintendent), the Vice Principals of Pearl City High School, Farrington High School, and concerned parents.

The Superintendent testified that delinquency, criminal activities, and youth gang involvement are often preceded by and directly related to truancy, and that efforts to utilize the general public in reporting truants will assist in reducing criminal activity within the community.

In light of this, your Committee believes that this bill will effectuate a creative, cost-effective mechanism of reducing truancy, and decreasing the proliferation of youth crime in the State.

Your Committee has amended this bill by inserting \$1 to facilitate continued discussion on this bill, and making technical, nonsubstantive revisions for the purposes of clarity, style, and conformity.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3412, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3412, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Amaral, Hirono, Oshiro, Peters, Takamine and White.

**SCRep. 292-94                      Judiciary on H.B. No. 3733**

The purpose of this bill is to appropriate \$160,000 for the Honolulu Police Department to implement and maintain a statewide blood and saliva testing program.

Supportive testimony was submitted by the Honolulu Police Department and the Department of the Prosecuting Attorney of the City and County of Honolulu (Prosecuting Attorney).

The Prosecuting Attorney testified that the 1991 Legislature enacted Act 231 to require the court to order certain convicted sex and violent offenders to provide saliva and blood samples for DNA analysis.

Your Committee believes that this bill will provide the Honolulu Police Department with the necessary resources to analyze and store the blood and saliva of convicted felons as required pursuant to this law.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3733 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hirono, Oshiro, Peters, Takamine and White.

**SCRep. 293-94                      Judiciary on H.B. No. 3138**

The purpose of the bill is to extend Title IV-D (Social Security Act) child support enforcement services to parents who are parties to support orders; to clarify that parent locator services extend to both absent parents and custodial parents; to delete the words "debtor" and "delinquent" in reference to withholding of unemployment compensation; and to delete reference to investigators, and to reference the child support enforcement agency, with respect to access to information.

Your Committee received testimony in support of the measure from a representative of the State Attorney General.

Your Committee finds that this bill will help meet federal regulations so as to secure federal funding for many now ineligible cases, and will serve to strengthen and clarify the authority of the child support enforcement agency.

Your Committee has amended the bill by making it effective upon approval. Technical, nonsubstantive amendments have been made for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3138, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3138, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Bunda, Hirono, Oshiro, Peters and Takamine.

**SCRep. 294-94                      Judiciary on H.B. No. 3506**

The purpose of this bill is to provide a vehicle to enact a measure relating to public safety.

H.B. No. 3506 was introduced as a short-form bill, which is sometimes referred to as a "vehicle" bill primarily used to introduce a bill containing only a general idea as to the purpose of the bill without specific details in long form. Your Committee has amended the bill to provide the substantive contents of the bill in long form so that a public hearing may be properly held on its substantive contents.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the action to report out H.B. No. 3506, as amended herein, and recommends that it be recommitted to the Committee on Judiciary for the purpose of holding a public hearing, in the form attached hereto as H.B. No. 3506, H.D. 1.

Signed by all members of the Committee except Representatives Amaral, Hirono, Menor, Peters, Takamine and White.

**SCRep. 295-94                      Judiciary on H.B. No. 2720**

The purpose of the bill is to make an appropriation to the Department of Health for the dissemination of information on the field of pain management.

Your Committee received testimony in support of the intent of the bill from representatives of the Hawaii State Department of Health, Hawaii Right to Life, the Hawaii Nurses' Association and the Hawaii Medical Association as well as from a physician in private practice.

Much of the testimony conditioned support upon a return to the language of the original bill specifying terminal illnesses, and particularly cancer, as the focus of the measure.

Your Committee finds that pain is a common symptom for persons with cancer, and that it is estimated that twenty-five percent of patients who die of cancer die in pain. This situation exists because of knowledge gaps and misconceptions among many health professionals about pain management principles as well as misconceptions about the risk of addiction on the part of the patients and their families.

Your Committee agrees with the statement of the National Cancer Institute Workshop on Cancer Pain in 1990 that "undertreatment of pain and other symptoms of cancer is a serious and neglected public health problem..."

Your Committee is concerned that the focus of this measure be centered around terminal illnesses, as chronic pain from benign conditions are subject to different treatment modalities.

Therefore, your Committee has amended the bill by reinserting into Section 1 the first paragraph of the bill as introduced. In addition, references to people in need have been changed to the terminally ill. Also, the appropriation amount has been changed from \$1 to \$2 and other technical, nonsubstantive amendments have been made for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2720, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2720, H.D. 2.

Signed by all members of the Committee except Representatives Bunda, Hirono, Oshiro, Peters and Takamine.

**SCRep. 296-94                      Hawaiian Affairs on H.B. No. 3629**

The purpose of this bill is to establish a moratorium on further resale or exchange of ceded lands until a sovereign Hawaiian entity is established and recognized.

Testimony generally in support of the intent of this bill was submitted by the Office of Hawaiian Affairs, Office of State Planning, Alu Like, Inc., Hawaiian Sovereignty Advisory Commission, Hawai'i Green Party-Oahu, Association of Hawaiian Civic Clubs, Ka Lahui Hawai'i, Hawaii Political Action Committee, Na Koa Ikaika, Hui Na'Auao, State Council of Hawaiian Homestead, and private citizens of the Native Nation of Ku Ho'one'enu'u Pono.

Testimony in opposition to this bill was submitted by the Department of Hawaiian Home Lands, the Department of Land and Natural Resources, and a private citizen.

Your Committee amended the bill as follows:

- (1) Exempting the Department of Hawaiian Home Lands ("DHHL") from the provisions governing the exchange of ceded lands;
- (2) Amending the period for the moratorium to the year 2004;
- (3) Allowing for the transfer of ceded lands between the Office of Hawaiian Affairs and other state agencies;
- (4) Inserting Section 3 and Section 4 to exempt any agreements for the sale of land or the exchange of land which took place prior to the enactment of this bill from the provisions of this bill;
- (5) Including a paragraph to allow for land exchanges between the State and private landowners for historic preservation purposes in lines 14 through 19 on page 3; and
- (6) Making technical and nonsubstantive changes to the bill.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3629, as amended herein, and recommends that it pass Second Reading and be referred to the Committee on Water and Land Use Planning, in the form attached hereto as H.B. No. 3629, H.D. 1.

Signed by all members of the Committee except Representatives D. Ige and Tanimoto.

**SCRep. 297-94 Hawaiian Affairs on H.B. No. 3433**

The purpose of this bill is to approve advisory opinions issued by the Hawaiian Home Lands Trust Individual Claims Review Panel on claims of individual beneficiaries for breaches of the Hawaiian Home Lands Trust resulting from acts or omissions of State employees in the management and disposition of trust resources and to provide general fund appropriations for compensating claimants who have suffered actual damages as a result of trust breaches.

Favorable testimony was presented by the Hawaiian Home Lands Trust Individual Claims Review Panel.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3433 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives D. Ige and Tanimoto.

**SCRep. 298-94 Hawaiian Affairs on H.B. No. 3624**

The purpose of this bill is to facilitate the self-determination of native Hawaiians by facilitating the ability of native Hawaiians to provide, contract, and receive grants for their basic services directly with and from the Department of Hawaiian Home Lands (DHHL).

Testimony was presented by the DHHL, the Office of Hawaiian Affairs and Na Koa Ikaika.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3624 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives D. Ige and Tanimoto.

**SCRep. 299-94 Housing on H.B. No. 2760**

The purpose of this bill is to define leasehold development tract qualification for homeowner status, for market value appraisal, and disqualification of an individual from any proceedings.

Your Committee, on further consideration, has amended this bill as follows:

- (1) removes the previously added "fifty percent" leasehold requirement from page 1, and
- (2) amends HRS section 516-33.5(b) to add an independent appraisal ordered by the corporation to the list of what the deposit may be applied to, and
- (3) amends HRS section 516-51 to require the corporation to order an independent appraisal of the leased fee interest of lots whose lessees have submitted applications to the corporation.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2760, as amended herein, and recommends that it pass

Second Reading in the form attached hereto as H.B. No. 2760, H.D. 1, and be referred to the Committees on Consumer Protection and Commerce and Judiciary.

Signed by all members of the Committee except Representatives Peters, White and Tanimoto.

**SCRep. 300-94            Housing and Human Services on H.B. No. 2813**

The purpose of this bill is to include long-term care facilities as community facilities for HFDC purposes.

Your Committees, upon further consideration, have amended this bill by deleting the amendment to section 201E-2, HRS, and drafting a new subsection that allows HFDC to assist in the financing, development and construction of long-term care facilities.

As affirmed by the records of votes of the members of your Committees on Housing and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2813, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2813, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Duldulao, Peters, White and Tanimoto.

**SCRep. 301-94            Energy and Environmental Protection on H.B. No. 2930**

The purpose of this bill is to repeal the authority of the Department of Health to adopt rules for the regulation of privy vaults, cesspools and fumigation. The bill also defines the terms "nuisance" and "public nuisance" with respect to matters of public health. It also repeals the authority of the department to regulate the location of slaughterhouses.

Testimony supporting H.B. 2930 was received from the Department of Health and the Life of the Land. The Department of Health supports this bill, in part, because it eliminates obsolete requirements that are no longer within its jurisdiction. The Department of Health suggested revisions to the bill that would eliminate other activities which are no longer within its province.

In addition, the Department of Health requested that the definition of a public nuisance be changed to more clearly differentiate between private and public nuisances. The Department takes the position that only specifically defined public nuisances should fall within its jurisdiction, and that its responsibilities be confined to such public nuisances that pose a public health problem. The Department also noted that it could more expeditiously deal with public nuisances under section 321-20 than under chapter 322. While your Committee appreciates the Department's position, your Committee has mainly restricted its amendments of the bill to deal with environmental matters, deferring to the Judiciary Committee for a consideration of the legal issues presented by the Department.

Your Committee notes the importance of maintaining air quality for the health and well-being of our citizens. Yet, some activities which generate air pollutants, such as wood burning stoves in restaurants, fall outside the Clean Air Act even though they may frequently pose a public nuisance if not a public health hazard. Your Committee believes that the statute revisions proposed in this bill will better help the Department of Health to more effectively deal with increasing public concerns about nuisances.

Accordingly, your Committee unanimously voted to pass this bill with an H.D. 1 containing some of the amendments suggested by the Department of Health.

Your Committee amended the bill by:

- (1) Deleting line 9 on page 7 and renumbering subsequent sections, pursuant to the Department's request;
- (2) Deleting Section 9, lines 5 - 7 on page 14, so as not to "grandfather in" existing nuisance problems; and
- (3) Appending the phrase "or from other sources if the department deems they pose a threat to public health" to the end of line 19 on page 10, in order to make it clear that the list of nuisance sources in the bill is not exhaustive.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2930, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2930, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Hirono.

**SCRep. 302-94            Labor and Public Employment on H.B. No. 2871**

The purpose of this bill is to assign athletic directors to a specified bargaining unit.

The Hawaii State Teachers Association stated that it had no objection to this bill, but suggested that the bill be held until it completes a statewide poll of athletic directors to determine what action needs to be taken. The Department of Education did not support the bill.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2871 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Alcon.

**SCRep. 303-94 Labor and Public Employment on S.B. No. 452**

The purpose of this bill is to exclude the compensation of public school coaches from collective bargaining.

Testimony in support of the bill was presented by the Department of Education and the Hawaii State Teachers Association.

Your Committee has amended this bill by changing the effective date from July 1, 1993 to July 1, 1994.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 452, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 452, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Alcon.

**SCRep. 304-94 Judiciary on H.B. No. 2851**

The purpose of this bill is to provide grants-in-aid to the Department of the Prosecuting Attorney of the City and County of Honolulu, the Department of the Prosecuting Attorney of the County of Hawaii, the Department of the Prosecuting Attorney of the County of Maui, and the Department of the Prosecuting Attorney of the County of Kauai for the creation or maintenance of special prosecution units and victim witness programs.

Testimony in support of this bill was received from the Department of the Prosecuting Attorney of the City and County of Honolulu, the Office of the Prosecuting Attorney of the County of Hawaii, the Victim/Witness Assistance Program of the Office of the Prosecuting Attorney of the County of Hawaii, the Department of the Prosecuting Attorney of the County of Maui, the Victim/Witness Assistance Division of the Department of the Prosecuting Attorney of the County of Maui, the Office of the Prosecuting Attorney of the County of Kauai, the Sex Abuse Treatment Center, the Domestic Violence Clearinghouse, the Hawaii State Commission on the Status of Women, and a number of individuals.

Your Committee has amended this bill by:

- (1) Inserting exact dollar amounts to be expended by each county for the career criminal prosecution units, the victim witness programs, and the youth gang prosecution units in Sections 2, 4, and 6 of the bill.
- (2) Inserting the total dollar amounts to be expended for the career criminal prosecution units, the victim witness programs, and the youth gang prosecution units in Sections 1, 3, and 5 of the bill.
- (3) Deleting the appropriation for a domestic violence prosecution unit for the Department of the Prosecuting Attorney of the County of Kauai which was found in Sections 7 and 8 of the bill as received by your Committee.
- (4) Making other technical, nonsubstantive changes to the bill.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2851, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2851, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Amaral, Hirono, Oshiro, Peters, Takamine and White.

**SCRep. 305-94 Judiciary on H.B. No. 2890**

The purpose of this bill is to enhance the criminal reporting technologies used by the Department of the Attorney General.

More specifically, this bill would:

- (1) Require the Department of the Attorney General to implement an incident-based offense and arrest reporting system (IBR system) consistent with the national incident-based report system utilized by the Federal Bureau of Investigation;
- (2) Clarify that implementation of the IBR system be incrementally phased as follows:
  - (A) Identification and definition of data elements, reporting requirements, and data submission specifications (Phase I);

- (B) Development of a detailed implementation plan, including identifying, defining, and scheduling specific activities to be undertaken by state agencies and local contributors (Phase II); and
- (C) Implementation testing, operational support, and ongoing maintenance (Phase III);

and

- (3) Appropriating unspecified amounts for the implementation of Phase I and II.

Supportive testimony was submitted by the Department of the Attorney General; the Hawaii Police Department; the Homicide/DUI Survivors Project of Mothers Against Drunk Driving; the Hawaii State Commission on the Status of Women; the Hawaii Green Party-Oahu; the Code of Silence/Broken; and a concerned citizen.

The Attorney General testified that the revolution in data processing and analysis capabilities have far exceeded the availability of detailed and accurate criminal justice information. Virtually every new criminal justice initiative responding to, among other things, hate crimes, domestic violence, gangs, and drugs, require accurate and timely information.

Furthermore, policy makers, program administrators, and line workers need detailed information about the incidence and prevalence of crime, not only to develop effective means of combatting problems, but also to evaluate the effectiveness of intervention.

In light of this, your Committee believes that this bill would ensure that the criminal justice information needs of the State of Hawaii will be met.

Your Committee has amended this bill by inserting an appropriation of \$1 for the implementation of Phases I, and II, respectively, to facilitate continued discussion on this bill, and by making technical, nonsubstantive revisions for the purposes of clarity, style, and conformity.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2890, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2890, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Amaral, Hirono, Oshiro, Peters, Takamine and White.

#### **SCRep. 306-94      Judiciary on H.B. No. 3135**

The purpose of this bill is to provide the Attorney General with the necessary resources to collect, store, disseminate, and analyze juvenile justice data.

More specifically, this bill would:

- (1) Appropriate \$872,013 to develop and implement the Juvenile Justice Information System; and
- (2) Authorize the Attorney General to establish six permanent data processing positions and one permanent clerical position.

Supportive testimony was submitted by the Attorney General, the Judiciary, the Board of Senior Family Court Judges, the Juvenile Justice Information Committee of the Department of the Attorney General, the Hawaii Police Department, the Honolulu Police Department, the Office of the Prosecuting Attorney of the County of Kauai, the Kauai Police Department, the Hawaii State Commission on the Status of Women, the Maui County Police Department, the Department of the Prosecuting Attorney of the County of Maui, and concerned citizens.

According to the Attorney General, the 1991 Legislature enacted Act 311, to collect, store, disseminate, and analyze all juvenile justice custodial, adjudicative, and program data from all agencies that have primary investigative, action, or program responsibility for minors.

Your Committee believes that this bill would provide the Attorney General the necessary resources to promote the timely exchange of accurate juvenile justice information between the police, the prosecutors, the Hawaii Youth Correctional Facility, and the Family Courts.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3135 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Amaral, Hirono, Oshiro, Peters, Takamine and White.

#### **SCRep. 307-94      Judiciary on H.B. No. 3133**

The purpose of this bill is to appropriate funds from the general revenues of the State of Hawaii to satisfy claims for legislative relief, judgments against the State, settlements, and miscellaneous claims in the total amount of \$2,391,883.17.

Testimony in support of this bill was received by your Committee from the Department of the Attorney General. According to the Department, after the introduction of this bill, four additional claims have been settled or resolved for an additional amount of \$220,025.00.

Your Committee has amended this bill by adding the four additional claims to the bill. The total amount of the claims under the amended bill is \$2,611,908.17.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3133, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3133, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Amaral, Hirono, Oshiro, Peters, Takamine and White.

**SCRep. 308-94                    Judiciary on H.B. No. 2893**

The purpose of this bill is to appropriate moneys to continue funding the Youth Gang Response System.

Your Committee received testimony in favor of this bill from the City and County of Honolulu Police Department, the Kauai County Police Department, the Hawaii County Police Department, the Youth Gang Project at the University of Hawaii at Manoa, the Salvation Army Hilo Interim Home, Parents and Children Together, Creating Alternatives in Neighborhoods and Developing Options for Youth (CAN DO), Kokua Kalihi Valley, and the Leeward Branch of the YMCA of Honolulu.

The Department of Human Services submitted testimony supporting the intent of the bill, but against any additional funding to the Department outside of the Executive Budget.

Your Committee finds that the Youth Gang Response System has been very effective in providing troubled youth with alternatives to gang life, and believes that continued funding of the program is a worthwhile investment that will yield many benefits to the people of Hawaii.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2893 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Hirono, Menor, Peters and Takamine.

**SCRep. 309-94                    Judiciary on H.B. No. 3134**

The purpose of the bill is to establish a revolving fund to be used to improve the criminal history record information system.

Testimony in support of the measure was received by your Committee from representatives of the State Attorney General and the Department of Education.

Your Committee finds that the demand for criminal history record information has escalated tremendously. There is a need to improve the Offender-Based Transaction Statistics/Computerized Criminal History system to insure the accuracy, timeliness and completeness of information.

Your Committee finds that the assessments of fees provided for in the bill will serve to improve the record information system.

Because non-profit child care facilities are required by law to conduct criminal history checks, your Committee believes that they should be exempt from the fee assessment, due to the special nature of their work and their non-profit status.

Your Committee has therefore amended the bill to exempt non-profit child care facilities from the fees.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3134, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3134, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Bunda, Hirono, Oshiro, Peters and Takamine.

**SCRep. 310-94                    Judiciary on H.B. No. 2987**

The purposes of this bill are to:

- (1) Increase the size of the Intermediate Appellate Court from four to nine judges; and
- (2) Appropriate \$1,200,000 for the newly created judgeships.

Your Committee heard testimony in favor of this bill from the Judiciary. The Judiciary stated that a nine-judge court would allow for three separate appellate panels, and would therefore speed the processing of cases.

While acknowledging that the number of cases filed with the appellate court has increased greatly, your Committee believes adding five more judges to the Intermediate Appellate Court would place a severe strain on state finances. Your Committee believes that a six-judge court, which would allow for two separate panels, is adequate to handle the current caseload. Therefore, your Committee has amended the bill by:

- (1) Increasing the size of the Intermediate Appellate Court from four to six judges; and
- (2) Appropriating \$400,000 for the two new judicial positions.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2987, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2987, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hirono, Menor, Peters and Takamine.

**SCRep. 311-94 Hawaiian Affairs on H.B. No. 2798**

The purposes of this bill are to ensure that revenues due the Office of Hawaiian Affairs (OHA) from the State are paid in a timely manner and that OHA receives reasonable revenue information on current and future revenues. This bill establishes a process for:

- (1) The monthly payment by State agencies of their pro rata share of revenue derived from the Public Lands Trust;
- (2) The semi-annual submittal of revenue estimates to OHA; and
- (3) The settlement of disputes concerning the amount of revenue through arbitration.

In supporting this bill, OHA testified that it experiences considerable difficulty in planning and funding its programs when revenue is not paid in a timely manner and when it does not receive reasonable revenue information on current and future revenues.

The Office of State Planning and the Department of Budget and Finance opposed this bill.

Your Committee has amended this bill by, among other things:

- (1) Inserting a general description of the type of written records that OHA may examine in order to verify payments made or due. The original bill had listed the different types of records;
- (2) Specifying that the interest on late payments shall be paid in accordance with Section 478-2, Hawaii Revised Statutes;
- (3) Requiring that revenue estimates be provided to OHA by September 30th, instead of semi-annually; and
- (4) Deleting subsection (e), relating to resolution of disputes via arbitration, and inserting language requiring all parties to use their best efforts to resolve any disputes concerning the amount of revenue due.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2798, as amended herein, and recommends that it pass Second Reading and be referred to the Committee on Judiciary in the form of H.B. No. 2798, H.D. 1.

Signed by all members of the Committee except Representatives D. Ige and Tanimoto.

**SCRep. 312-94 Hawaiian Affairs on H.B. No. 3232**

The purpose of this bill is to require that income realized from DHHL's general leasing program be used for land development.

DHHL testified in opposition to this bill.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3232 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives D. Ige, Lee and Tanimoto.

**SCRep. 313-94 Energy and Environmental Protection on H.B. No. 2638**

The purpose of this bill is to establish a Clean Hawaii Center to provide a permanent mechanism to promote local market development for collected recyclables, including the establishment of a grant and loan program. The bill

appropriates \$2,000,000 for the 1994-1995 fiscal year for start-up costs. The bill also increases the current waste disposal fee surcharge by 50 cents to provide interim funding for the operation of the center until a permanent funding source can be developed for implementation on 7/1/96.

In addition, H.B. No. 2638, H.D. 1, requires the Department of Business, Economic Development, and Tourism (DBEDT) to:

- (1) Establish a steering committee to review and approve of the Clean Hawaii Center work plan, developed by DBEDT;
- (2) Carry out appropriate outreach, education, and training programs; and
- (3) Offer grants of low-interest loans for the development or expansion of local processing or manufacturing industries that utilize recycled materials.

Testimony supporting the intent of this bill was received from:

- (1) The Department of Health;
- (2) The Department of Business, Economic Development and Tourism;
- (3) Sierra Club, Hawaii Chapter; and
- (4) Mr. Robert J. Smolenski of Smolenski & Wooddell, Attorneys at Law.

The Department of Health strongly supported the bill as long as it does not have a negative impact on the Administration's budget requests. The Department's testimony contained a recommendation for minor changes in the original bill, but the department agreed that the language contained in the HD1 adequately addressed its concerns. The Department of Business, Economic Development and Tourism deferred to the Department of Health on the specifics of the bill.

Testimony from the Department of Business, Economic Development and Tourism and the Sierra Club noted the multiple benefits which should derive from the bill in terms of diversification of our local economy, local job generation, and resource preservation.

One of the primary components of this bill is to facilitate loan programs that demonstrate the viability of recycling businesses. Your Committee feels that the state must support such programs if Hawaii is to remain committed to diversion of recyclable materials from its waste stream. In addition, your Committee notes that grant and loan programs targeted for recycling businesses are being used in 14 other states with successful results.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2638, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hirono.

**SCRep. 314-94 Hawaiian Affairs on H.B. No. 3356**

The purpose of this bill is to reduce the blood quantum requirement for eligibility under the Hawaiian Home Lands program by changing the definition of the term "native Hawaiian." Currently, the term refers to those with not less than one-half part of the blood of the races inhabiting the Hawaiian Islands previous to 1778. This bill would expand the definition to include any descendant of a person who, prior to 1921, had not less than one-half part of the blood of the races inhabiting the Hawaiian Islands previous to 1778. It is estimated that this bill would expand eligibility from the 50,000 to 80,000 individuals who currently meet the fifty percent requirement to a large majority of the 200,000 persons of Hawaiian and part-Hawaiian ancestry in the State.

Testimony in support of the bill was received from the Office of Hawaiian Affairs, the Aboriginal Native Hawaiian Association, and a private individual. The Department of Hawaiian Home Lands suggested deferring action on this measure to provide the Hawaiian community an opportunity to consider the issue. Na Koa Ikaika and Hawaii Green Party-Oahu opposed this bill.

Your Committee finds that the current fifty percent blood quantum requirement has caused a division within the Hawaiian community, splitting it into two distinct classes, namely those with "fifty percent or more" and those with "less than fifty percent." The blood quantum requirement is one of many injustices against the Hawaiian community related to the Hawaiian Homes Commission Act. This bill is the first step toward correcting these historical wrongs.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3356 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives D. Ige and Tanimoto.

**SCRep. 315-94 Hawaiian Affairs on H.B. No. 3314**

The purpose of this bill is to appropriate funds for:

- (1) The administration of the Hawaiian Homes Lands Trust Individual Claims Review Panel; and
- (2) A special assistant to the chairperson of the Hawaiian Homes Commission, and support staff and other costs related to the claims process.

According to the Department of Hawaiian Home Lands (DHHL), the processing of the Hawaiian Home Lands Trust Individual Claims has significantly increased its workload. To date, there have been over 292 claims filed against DHHL. The appropriations contained in the bill will allow beneficiaries under the Hawaiian Home Lands Trust to file and resolve claims as provided for in Chapter 674, Hawaii Revised Statutes.

Your Committee received supporting testimony from DHHL. In its testimony, the Hawaiian Home Lands Trust Individual Claims Review Panel urged approval of this bill.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3314 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives D. Ige and Tanimoto.

**SCRep. 316-94                      Judiciary on H.B. No. 3204**

The purpose of the bill, as received by your Committee, was to allow the chief election officer to contract with community organizations, school booster clubs, and other nonprofit entities for the provision of precinct officials and other election related personnel, services, and activities.

Your Committee received testimony in support of the bill from a representative of the Office of the Lieutenant Governor.

Your Committee finds that it is becoming increasingly difficult to recruit, train and place all of the 6,000 precinct officials for each election. Although under current law the recruitment of precinct officials is initially the responsibility of the respective political parties, in recent elections they have submitted, on average, only half of the required number of officials.

This measure gives added flexibility to the Chief Election Officer in attempting to fill those positions.

Your Committee has amended the bill by eliminating certain language in section 1 to clarify that the new subsection (b) of HRS §11-5 concerns itself with nonprofit entities with which the chief election officer may contract for the provision of precinct officials and other election related personnel, services, and activities. It is these nonprofit groups who are exempt from taxation by the State for their compensation.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3204, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3204, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hirono, Oshiro, Peters, Takamine and White.

**SCRep. 317-94                      Energy and Environmental Protection on H.B. No. 3688**

The purpose of this bill is to authorize the counties to issue bonds for environmental clean-up and remediation costs, environmental liabilities, as well as other liabilities.

Testimony strongly supporting H.B. No. 3688 was received from the Department of Finance of the City and County of Honolulu. The Department's testimony stressed that federal regulations require municipal governments to prove financial responsibility for underground storage tank liabilities. Furthermore, if the City cannot use its bonding capacity to do this it will have to either buy additional insurance or set aside funds in a dedicated trust for possible future claims in order to comply with federal requirements. The Department also requested a minor amendment to the bill.

Your Committee recognizes the fiscal concerns of the Department of Finance and notes that the current bill will better enable the counties to satisfy their financial responsibilities under the Resource Conservation and Recovery Act. Your Committee further notes that the proposed Act will have no financial effect on the State budget, while giving the counties needed flexibility to meet their obligations under federal law. Accordingly, your Committee voted to pass H.B. No. 3688 with the minor amendment requested by the Director of Finance.

Your Committee amended the bill by:

- (1) Inserting the words, "or losses" after the word "liabilities" on line 8 of page 2; and
- (2) Making minor technical, non-substantive changes.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3688, as amended herein,

and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3688, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hiraki and Hirono.

**SCRep. 318-94 Education on H.B. No. 3742**

The purpose of this bill is to extend the Hawaii Young Scholars Program from two to five years.

Your Committee finds that the Hawaii Young Scholars Program provides a vehicle which encourages students to academically succeed and to pursue a higher education.

The Department of Education and the University of Hawaii offered supporting testimony for this bill.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3742 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki, Duldulao, Hagino, Shon, Taniguchi, Yonamine and Tanimoto.

**SCRep. 319-94 Education on H.B. No. 3329**

Act 328, Session Laws of Hawaii 1993, established the Hawaii State Library Foundation trust fund, but did not contain specific language stating that income generated by the Foundation at public library facilities shall be deposited into the fund. Because of this omission, the Department of Budget and Finance's position has been that all revenues generated by Foundation activities at public library facilities must be deposited into the State's general fund.

The purpose of this bill is to clarify the intent of Act 328 and to provide the specific vehicle into which income generated by Foundation activities at public library facilities will be deposited.

Testimony in support of this measure was received from the Hawaii State Library System.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3329 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki, Duldulao, Hagino, Taniguchi, Yonamine and Tanimoto.

**SCRep. 320-94 Education on H.B. No. 3085**

The purpose of this bill is to remove all references to adult education services and funding to reflect that the actual clientele of the community schools, are not limited to adults.

The Hawaii State Adult and Community Education Advisory Council submitted testimony in support of this measure. A member of the Hawaii State Adult and Community Education Advisory Council also submitted testimony in support of this measure. The Principal of Waipahu Community School submitted comments specifically on the subject of facilities for community schools. The Department of Education testified in opposition to this measure.

Upon careful consideration, your Committee has amended this measure by:

- (1) Replacing the word "shall" with "may" for consistency, so that the Department of Education may provide public school buildings and use public school equipment;
- (2) Stating that the Department of Education and the University of Hawaii shall develop a comprehensive program for community education, including an integrated long-range plan for facilities; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3085, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3085, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki, Duldulao, Hagino, Shon, Taniguchi, Yonamine and Tanimoto.

**SCRep. 321-94 Education on H.B. No. 2927**

The purpose of this bill is to provide funding to expand the System of Care Project to five additional schools.

Your Committee finds that the System of Care Project has been successful in providing counseling, parent networking, and parenting skills services to at-risk students and their families, and an expansion of this project would be beneficial to many students.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2927, H.D. 1, and recommends and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki, Duldulao, Hagino, Taniguchi, Yonamine and Tanimoto.

**SCRep. 322-94 Finance on H.B. No. 3192**

The purpose of this bill is to repeal the Tax Administration Fund which is used to:

- (1) Deposit all delinquent taxes; and
- (2) Defray the expenses for employees' overtime, emergency hires, temporary hires, and other administrative expenses.

The Department of Taxation testified in support of this measure which will provide them with more flexibility in the use of these moneys. The Tax Foundation of Hawaii also submitted testimony.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3192 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Pepper and Tajiri.

**SCRep. 323-94 Finance on H.B. No. 2475**

The purpose of this bill is to extend the suspension of the liquor tax escalator clause from June 30, 1993 to June 30, 1996.

The Legislative Center, Case & Lynch Attorneys at Law, and a representative from the Coors Brewing Company testified in support of this measure. The Department of Taxation and the Tax Foundation of Hawaii also submitted testimony.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2475 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Pepper and Tajiri.

**SCRep. 324-94 Finance on H.B. No. 3675**

The purpose of this bill is to expand the use of moneys reimbursed by the State to the County of Kauai for the loss of real property tax collections pursuant to tax relief for natural disaster losses.

Specifically, this measure would provide that these sums may also be used to:

- (1) Fulfill the State's contractual agreement with the Federal Emergency Management Agency for disaster assistance;
- (2) Restore, replace, or repair county parks and recreational facilities damaged by Hurricane Iniki;
- (3) Restore, replace, or repair civil defense emergency shelters, including a joint civil defense emergency operating center/police headquarters facility;
- (4) Provide school-based psychological support through a systematic intervention effort for at-risk students; and
- (5) Offer alternative activities to address the post traumatic distress of children and youth.

Your Committee received testimony in support of this measure from the Mayor of Kauai, the Kauai County Council, a clinical child psychologist at Kapiolani Medical Center, and a clinical psychologist specializing in assisting people in recovering from traumatic events such as natural disasters. Testimony was also submitted by the Department of Budget and Finance.

Upon further consideration, your Committee has amended this measure by:

- (1) Combining all county facilities under a single designated amount;
- (2) Designating funds for economic recovery programs on Kauai; and

- (3) Making other technical, nonsubstantive amendments for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3675, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3675, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Tajiri.

**SCRep. 325-94                    Judiciary on H.B. No. 2311**

The purpose of this bill is to reduce the penalties for driving without a license, driving while a license is suspended or revoked, and reckless driving of a vehicle or riding of an animal.

Currently, persons convicted of these offenses may receive up to a maximum of one year in prison. This bill would reduce the maximum jail time to ninety days.

Your Committee received testimony on the bill from the Judiciary. The Judiciary took no official position on the bill, but pointed out that passage would eliminate the right to a jury trial for persons charged with the offenses cited above.

Your Committee believes that reducing the penalties for these offenses would bring the statutes more in line with actual sentences handed down by the courts, and would help clear up the current backlog of jury trial cases for traffic offenses.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2311 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hirono, Menor, Peters and White.

**SCRep. 326-94                    Judiciary on H.B. No. 2394**

The purpose of this bill is to specify that claims in respect to estates of decedents do not include estate taxes.

Your Committee heard testimony in favor of this bill from a private law firm specializing in estate planning and tax law, which pointed out an apparent inconsistency in statute regarding the estate share of surviving spouses. One section of statute excludes estate taxes from estate claims, while another includes estate taxes. Your Committee agrees that this inconsistency should be corrected, and that the estate share of a surviving spouse should be calculated on the gross amount of the estate before taxes.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2394 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hirono, Menor, Peters and White.

**SCRep. 327-94                    Judiciary on H.B. No. 2293**

The purpose of this bill is to clarify that any motor vehicle belonging to a decedent with an estate that has a gross value of not more than \$20,000 shall not be counted among the assets of the estate for purposes of determining exclusion from probate.

Your Committee heard testimony in support of this bill from the Judiciary and the Department of Human Services. Your Committee believes this bill will clear up any confusion surrounding the motor vehicle exclusion, and will help speed up the settlement of small estates.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2293 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hirono, Menor, Peters and White.

**SCRep. 328-94                    Judiciary on H.B. No. 2306**

The purpose of this bill is to amend the law prohibiting abuse of a family or household member, Section 709-906, Hawaii Revised Statutes, by:

- (1) Dividing the offense of abuse of family and household members into first and second degree offenses;
- (2) Providing that a second degree offense occurs where a person intentionally, knowingly, or recklessly strikes, shoves, kicks, or otherwise touches a family or household member in an offensive manner or subjects the member to offensive physical contact, or insults, taunts, or challenges a family or household member in a

manner likely to provoke an immediate violent response or that would cause the member reasonably to believe that the actor intends to cause bodily injury to the member;

- (3) Providing that a first degree offense occurs where, in addition to the elements of a second degree offense, at least one of five aggravating circumstances exist;
- (4) Providing that a first degree offense is a misdemeanor, and that any person convicted shall serve a mandatory sentence of 48 hours and undergo treatment in a domestic violence treatment and counseling program, provided that the court may suspend any part of its sentence except the mandatory 48-hour term upon the condition that the defendant remains arrest-free and conviction-free or completes court-ordered counseling; and provides a mandatory minimum of thirty days of imprisonment for subsequent convictions;
- (5) Providing that a second degree offense is a petty misdemeanor, and that any person convicted shall undergo treatment in a domestic violence treatment and counseling program, provided that the court may suspend any portion of its sentence upon the condition that the defendant remain arrest-free and conviction-free or complete court-ordered counseling; and provides a mandatory minimum of 48 hours of imprisonment for subsequent convictions; and
- (6) Reinstating the cooling off period of 24 hours where the police have reasonable grounds to believe that there is probable danger of abuse or harm being inflicted by one person upon a family or household member.

Your Committee received testimony and comments on this bill from the Department of the Prosecuting Attorney of the City and County of Honolulu, the Office of the Public Defender, a representative of the Judiciary, the Honolulu Police Department, the Hawaii State Commission on the Status of Women, the Domestic Violence Clearinghouse, the Hawaii State Coalition Against Sexual Assault, Fairness for Abused Women, a representative of the Hawaii County Council District of Upper Puna and Ka'u, the Sex Abuse Treatment Center, Family Peace Center, Hawaii Green Party-Oahu, the Family Crisis Shelter, HOPE Domestic Violence Consultants, Parents and Children Together, and a number of individuals.

Your Committee believes that domestic abuse is a far-reaching crime, harming not only the individual abused, but the family unit as a whole. Your Committee also believes that domestic abuse is an escalating problem in this State that must be addressed by the Legislature this year.

Your Committee finds that while there are at least fifty jury-demand domestic abuse cases added to the family court docket in the First Circuit each week, the court can handle only one of those jury-demand trials each week. Your Committee finds that under present conditions, the majority of these cases will be dismissed for lack of a speedy trial.

Your Committee believes that the present situation is intolerable. Abusers are going free with neither conviction nor correction. Justice is provided to neither the victim nor the defendant. The cycle of family violence grows unimpeded.

Your Committee finds that this bill identifies those occurrences of domestic abuse which are potentially the most dangerous and penalizes the person convicted in accordance with the severity of the offense. Your Committee finds that this bill also affords greater protection to family and household members by including verbal abuse in the offenses and believes that this inclusion will help to assure that persons get needed treatment and counseling before injuries of a more serious nature occur.

The second degree offense closely mirrors the existing statute on harassment, a petty misdemeanor. Thus, police, prosecutors, and attorneys should be comfortable with the application of the law.

Your Committee does not intend by this bill to create exclusive penal offenses where there is abuse of a family or household member. When the facts of a case warrant it, your Committee believes that the police and the prosecuting attorney should not hesitate to charge under whatever criminal statute best reflects the seriousness of the attack.

Your Committee intends that no right to jury trial shall attach for the petty misdemeanor offense of abuse of family or household member in the second degree which is created under this bill, since only the first degree offense is "serious" in a constitutional sense, as the sentencing structure makes clear. This will assure prompt disposition of the second degree offense, and enable the court to promptly provide jury trials for those who request it in the more serious first degree cases.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2306 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Oshiro, Peters and Takamine.  
(Representative Herkes voted no.)

**SCRep. 329-94**

**Judiciary on H.B. No. 2784**

The purpose of this bill is to amend various provisions of the Hawaii Revised Statutes pursuant to Chapter 23G to correct errors, update references, clarify language, and delete obsolete or unnecessary provisions.

Your Committee received comments on the bill from officials at the Legislative Reference Bureau (LRB), who stated that all amendments are of a purely technical nature and contain no substantive changes to the law.

According to LRB, the reasons for the technical amendments made in the bill are as follows:

**Section 1.** Section 46-17, Hawaii Revised Statutes, (HRS), relating to the regulation of certain public nuisances, contains a reference to "any permit for agricultural burning granted by the state Department of Health under authority of chapter 342". However, chapter 342, was repealed on June 7, 1989 by Act 212, Session Laws of Hawaii 1989, section 8. The new reference to air pollution control is chapter 342B, HRS. The obsolete cross-reference to chapter 342 is deleted and replaced with the correct reference to chapter 342B.

**Section 2.** Section 342D-32, HRS, relating to negligent violations of the water pollution law makes reference in paragraph (1) to "any condition or in a permit". However, this reference should read: "any condition in a permit", as correctly provided in sections 342D-33(1) and 342D-34(a). Section 342D-32(1) is amended to correct this manifest error by deleting the word "or" after the word "condition" in that paragraph.

**Section 3.** Section 359A-3, HRS, relating to annual statements for teachers' housing, contains a reference to the director of "social services". However, that reference was changed to the director of "human services" by Act 339, Session Laws of Hawaii 1987. Section 359A-3 is amended by deleting the obsolete reference and substituting the correct reference in its place.

**Section 4.** Section 452-4, HRS, contains a reference in subsection (a) to the state "board of massage". However, the correct name of that board, as defined in section 452-1, HRS, is the "board of massage therapy". Section 452-4 is amended accordingly to achieve clarity and consistency.

**Section 5.** Section 452-23, HRS, contains a reference in subsection (c) to the "board of massage". As in the comment to section 452-4, HRS (section 5 of this bill), that reference should be amended to conform to the correct name of the board as defined in section 452-1, namely, the "board of massage therapy". Section 452-23 is amended accordingly to achieve clarity and consistency.

**Section 6.** Section 706-625, HRS, relating to the revocation and modification of probation conditions, contains subsections designated (a) through (f). However, subsection references in the penal code are designated by numbers rather than letters. Since there are no internal cross-references to any subsection of section 706-625 that need to be changed in the HRS, the subsection designations in that section are changed from letters to numbers to achieve consistency in the penal code.

**Section 7.** The prefatory language to Act 195, Session Laws of Hawaii 1992, section 3, purports to amend "chapter" 431:10A-304, HRS, but amends only the section specified. The prefatory language is amended to correct this clerical error by changing "chapter" to "section".

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2784 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Amaral, Bunda, Hirono, Oshiro, Peters and Thielen.

**SCRep. 330-94                      Judiciary on H.B. No. 2968**

The purpose of this bill is to exempt the Judiciary History Center from the requirement to promulgate rules in accordance with Chapter 91, Hawaii Revised Statutes.

Your Committee received testimony in favor of this bill from the Judiciary. In its testimony, the Judiciary pointed out that the judicial branch is exempt from Chapter 91. The Judiciary History Center, however, was included under Chapter 91 in its enabling legislation. This bill will bring the history center in line with the rest of the judicial branch.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2968 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Bunda, Hirono, Menor, Oshiro, Peters and Thielen.

**SCRep. 331-94                      Judiciary on H.B. No. 2989**

The purpose of this bill is to move the Kalawao district on the island of Molokai from the first to the second judicial circuit.

The Kalawao district was placed in the first judicial circuit in 1913 because of then existing transportation difficulties and because the first circuit had better facilities for accommodating Hansen's disease patients. Having the Kalawao district in the first circuit no longer serves any rational purpose. Returning Kalawao district to the second circuit is consistent with having all areas of each island in the same judicial district.

Your Committee received testimony in support of this measure from the Judiciary.

Your Committee has amended this measure to take effect upon approval as there are no fiscal implications.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2989, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2989, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Bunda, Hirono, Menor, Oshiro, Peters and Thielen.

**SCRep. 332-94                      Judiciary on H.B. No. 2985**

The purpose of this bill is to allow the Court to waive a proof-of-compliance hearing for a defendant convicted of abuse of a family or household member if the defendant is on probation and has substantially complied with the Court's order to receive treatment or counseling.

Your Committee received testimony in strong support of this bill from the Judiciary. The Judiciary testified that the bill would give the Court needed discretion in cases where the defendant has not yet completed a treatment program, but has substantially complied with the Court order.

Your Committee agrees with the Judiciary, and believes this bill would prevent unnecessary hearings. Your Committee has amended this measure by changing the effective date from July 1, 1994, to the date of its approval by the Governor.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2985, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2985, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Oshiro, Peters and Takamine.

**SCRep. 333-94                      Judiciary on H.B. No. 2981**

The purpose of this bill is to authorize district court judges to set or adjust bail for those who have been charged with a class A felony.

Under present law, district court judges are prohibited from ever setting or adjusting bail for persons accused of class A felonies. District court judges currently conduct preliminary hearings to determine whether probable cause exists in felony cases, but due to this anachronistic statute, which dates from the time that district courts were not courts of record, they may never adjust bail set by police officers.

Since district court judges are given the responsibility of determining whether to commit or discharge felony defendants after a preliminary hearing, it is only appropriate that they also be authorized to admit the accused to bail.

Your Committee received testimony in support of this measure from the Judiciary and the Office of the Public Defender.

Your Committee has amended this bill to take effect upon approval as there are no fiscal implications.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2981, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2981, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Bunda, Hirono, Menor, Oshiro, Peters and Thielen.

**SCRep. 334-94                      Judiciary on H.B. No. 2286**

The purpose of this bill is to require a motor vehicle ownership search to be conducted prior to issuing a citation to the registered owner of a vehicle, which includes, but is not limited to, whether a notice of transfer on the vehicle has been properly filed with the County Director of Finance.

Your Committee finds that requiring police officers to conduct such ownership searches prior to citation would not be feasible.

Your Committee has amended this bill by:

- (1) Deleting Sections 1 and 3 of the bill, which amended §291C-165 and §291C-223, respectively.
- (2) Adding a new section to the bill which requires the Traffic Violations Bureau to conduct a motor vehicle ownership search where there is no response to a summons or citation within fourteen days of receipt of the summons or citation.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2286, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2286, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hirono, Menor, Peters and White.

**SCRep. 335-94      Judiciary on H.B. No. 2317**

The purpose of this bill is to:

- (1) Set up an un rebuttable presumption of paternity when a man acknowledges paternity voluntarily at the birth of a child;
- (2) Facilitate paternity actions brought by the Child Support Enforcement Agency or the person alleging paternity if a man who acknowledged paternity voluntarily at the birth of a child later denies paternity; and
- (3) Provide that positive results from a genetic test, with a power of exclusion greater than ninety-nine percent (99%) and a minimum combined paternity index of five hundred to one, constitute proof of paternity.

Your Committee received testimony in support of this bill from the Department of Health, the Department of the Corporation Counsel of the City and County of Honolulu, the Office of the Corporation Counsel of the County of Hawaii, and the Department of the Attorney General.

Your Committee agrees with the testimony received, and believes that this bill will make it easier to hold fathers responsible for support of their children.

The Committee has amended the bill by:

- (1) Requiring the power of exclusion of the genetic testing be greater than ninety-nine percent (99.0%); and
- (2) Making technical, nonsubstantive amendments for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2317, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2317, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Oshiro, Peters and Takamine.

**SCRep. 336-94      Judiciary on H.B. No. 2322**

The purpose of the bill is to clarify the situations in which attorneys' fees can be taxed by the court in assumpsit and in actions on a promissory note or other contract in writing.

Your Committee received testimony in support of the bill from several attorneys in private practice.

Your Committee finds that the revisions made to Section 607-14, Hawaii Revised Statutes (HRS), by Act 200, Session Laws of Hawaii 1993, have led to some confusion about the Legislature's intent. Specifically, the inclusion of language from Section 607-17, HRS, relating to the collection of attorneys' fees from prior debts, has led some to conclude that the statute precludes collection in assumpsit cases where no writing exists.

Your Committee finds that interpreting the present statute to the effect that all debts must have a writing before attorneys' fees can be taxed is incorrect and contrary to a careful reading of the statute and the long history of statutory attorneys' fees allowed in assumpsit actions.

In order to correct this misconception, this measure eliminates the confusing language and substitutes more modern and easily readable language relating to attorneys' fees from prior debts.

Your Committee has amended the bill by inserting language making clear that the statute will apply not only to future actions, but also to all actions currently pending in court as of the effective date of the Act.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2322, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2322, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hirono, Menor, Peters and White.

**SCRep. 337-94      Judiciary on H.B. No. 2320**

The purpose of this bill is to set a standard for genetic testing for paternity. Tests used must have a power of exclusion greater than ninety-nine percent and a minimum combined paternity index of five hundred to one.

Your Committee received testimony in favor of this bill from the Department of the Corporation Counsel of the City and County of Honolulu, the Office of the Corporation Counsel of the County of Hawaii, and the Office of the State Attorney General.

Your Committee agrees with the testimony submitted, and has made technical, nonsubstantive amendments as suggested by the Office of the Corporation Counsel of the County of Hawaii.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2320, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2320, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Oshiro, Peters and Takamine.

**SCRep. 338-94                    Judiciary on H.B. No. 2326**

The purpose of this bill is to change the maximum amount in controversy for all civil actions brought in district court from \$10,000 to \$25,000, and to change the maximum amount in controversy in which the district court has exclusive jurisdiction from \$5,000 to \$10,000.

Testimony generally in support of this bill was received by the Committee from representatives of the Judiciary.

Your Committee finds that the Judicial Conference has recommended that the maximum amount in controversy for all civil actions brought in district court be set at \$20,000 instead of \$25,000 and has amended this bill to be consistent with that recommendation.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2326, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2326, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hirono, Menor, Peters and White.

**SCRep. 339-94                    Higher Education and the Arts on H.B. No. 3247**

The purpose of this bill is to establish a special University of Hawaii Kapolei development zone in Kapolei, Oahu that will:

- (1) Designate its boundaries;
- (2) Exempt the University of Hawaii from State requirements relating to land use development; and
- (3) Provide tax relief incentives to facilitate the development of housing for students and faculty.

The University of Hawaii submitted testimony stating that it is supportive of legislation which will reduce the amount of time that it will take to develop the West Oahu campus and encourage the private sector with tax relief incentives to facilitate the development of student and faculty housing. The University of Hawaii also stated in its testimony that the Board of Regents made the site selection with a proviso that by no later than twenty days after the adjournment of the 1994 legislative session, there be a firm commitment from the State and/or private sources to transfer title in fee simple, to the University of Hawaii for five hundred contiguous acres at Kapolei unencumbered, except for easements that do not adversely affect the development of the campus.

The Estate of James Campbell submitted testimony in support of the intent of this measure. The Honokai Hale/Nanakai Gardens Association and concerned citizens submitted testimony in support this measure. Testimony was also received from representatives of the Association of Hawaiian Civic Clubs in support of this measure. A concerned citizen submitted testimony opposing the intended expenditure of \$100,000,000 infrastructure costs in the next biennium budget for the Kapolei campus because it would mean more urban sprawl. The Tax Foundation of Hawaii submitted comments on this measure. The Department of Taxation submitted testimony in opposing the passage of this measure.

Upon careful consideration, your Committee has amended this bill by:

- (1) Clarifying that the Board of Regents has decided that site 1 at Kapolei is its first choice for the West Oahu campus;
- (2) Providing that the development zone would consist of a contiguous area of not less than 500 acres;
- (3) Inserting language that the State shall continue to work cooperatively with the landowners in Kapolei to develop the best possible land plan for the campus site, including additional contributions from the landowner;
- (4) Including language for the purposes of flexibility and efficiency that all developments of the Board of Regents of the University of Hawaii in the special University of Hawaii Kapolei zone shall be exempt from all statutes, ordinances, charter provisions, and rules of any governmental agency provided that the project meets minimum standards of health and safety;
- (5) Adopting the recommendations of the University of Hawaii regarding the exemption for the support infrastructure (sewer, drainage, roadways, electrical, and water) coming in and going out of the zone; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3247, as amended herein, ar

recommends that it pass Second Reading in the form attached hereto as H.B. No. 3247, H.D. 1, and be referred to the Committee on Water and Land Use Planning.

Signed by all members of the Committee except Representatives Arakaki, Duldulao, M. Ige, Takumi, Taniguchi and Tanimoto.  
(Representative Shon voted no.)

**SCRep. 340-94 Economic Development and Business Concerns on H.B. No. 2897**

The purposes of this bill are to:

- (1) Continue the existence of the Natural Energy Laboratory of Hawaii Authority (Authority) Special Fund; and
- (2) Deletes from the stated purpose of the Fund, the design and construction of new facilities and the renovation of or addition to existing facilities.

Effective June 30, 1994, all moneys and fees collected from tenants and other users of the Authority's parks, projects, leased facilities, other services, and publications will be deposited into the state general fund. In addition, all moneys for the operation, maintenance, and management of the Natural Energy Laboratory, and park, project, facility, service, or publication of the Authority will be provided by the state general fund. This bill would forestall conversion of the Authority's funding from the special fund to the general fund.

Your Committee notes that the Authority's research and commercial projects support economic development and diversification in the State by providing infrastructure and services for research, development, and commercial projects that use the natural resources available at Keahole Point. The continuance of the Authority's special fund would provide the flexibility necessary to fulfill its objectives.

Testimony in support of the bill was received from the Natural Energy Laboratory of Hawaii Authority.

Your Committee has amended the bill by:

- (1) Adding a purpose section into the bill;
- (2) Changing the effective date from upon approval to June 30, 1994; and
- (3) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2897, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2897, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

**SCRep. 341-94 Higher Education and the Arts on H.B. No. 2817**

The purpose of this bill is to establish an Environmental Science, Management, and Policy Task Force.

Testimony generally in support of this bill was submitted by the University of Hawaii at Manoa and private citizens who were all in agreement that the task force would be more effective if comprised of members from environmental organizations.

Your Committee has amended this bill as follows:

- (1) Changing the number of task force members from "fifteen" to "sixteen" in line 7 of page 2; and
- (2) Adding "four members from environmental organizations" in line 13 of page 2; and
- (3) Amending the number of task force members represented by the State's academic sector, the private business sector, and the individual state departments or agencies in lines 9 through 12 on page 2 from "five" members to "four" members.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2817, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.B. 2817, H.D. 2.

Signed by all members of the Committee except Representatives Arakaki, Duldulao, M. Ige, Takumi, Taniguchi and Tanimoto.

**Rep. 342-94 Higher Education and the Arts on H.B. No. 3009**

The purposes of this bill are to:

- (1) Direct the State Auditor (Auditor) to perform a comprehensive program, management, and financial audit of the University of Hawaii (UH) College of Tropical Agriculture and Human Resources (CTAHR); and
- (2) Require the Auditor to submit a report containing the findings and recommendations of the audit to the Legislature 20 days before the convening of the 1995 Regular Session.

Your Committee received testimony from the University of Hawaii, CTAHR outlining the program and the impact of this bill on the current program.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3009, H.D. 1, and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representatives Arakaki, Duldulao, M. Ige, Takumi, Taniguchi and Tanimoto.

**SCRep. 343-94 Higher Education and the Arts on H.B. No. 3332**

The purpose of this bill is to clarify the authority of the State Post-Secondary Education Commission in cooperating with the Federal government. The purpose of the State Post-Secondary Education Commission review program, established by the Higher Education Amendments of 1992, which amended Title IV of the Higher Education Act of 1965, is to ensure the State's continued eligibility to receive all Title IV student financial assistance funds.

Your Committee received testimony from the University of Hawaii outlining the impact of this bill to the State Post-Secondary Education Commission.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3332 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Arakaki, Duldulao, M. Ige, Takumi, Taniguchi and Tanimoto.

**SCRep. 344-94 Energy and Environmental Protection on H.B. No. 2621**

The purpose of this bill is to appropriate funds for biomass research for energy and alternate uses.

Testimony on H.B. No. 2621 was received from the following agencies and organizations:

- (1) The Department of Business, Economic Development and Tourism;
- (2) The County of Hawaii's Department of Research and Development;
- (3) The Hawaii Island Economic Development Board;
- (4) The Hawaii Institute of Tropical Agriculture and Human Resources, University of Hawaii;
- (5) The BioEnergy Development Corporation, C. Brewer and Company, Limited;
- (6) An employee of the Hawaii Natural Energy Institute, University of Hawaii;
- (7) The Pacific International Center for High Technology Research;
- (8) Councilperson Takashi Domingo of the County of Hawaii; and
- (9) Mayor Stephen K. Yamashiro of the County of Hawaii.

All nine testimonies supported the intent of this measure. Testimony in support of this proposal believes that this bill will provide funding for research to address a major constraint in demonstrating the economic viability of short-rotation forestry-enhanced yield through tree improvement programs. Forest applications may well hold promise for manufacturing energy products, fiberboard, pulp for paper, and chemical and industrial feedstocks to stimulate the local economy. Other benefits, noted by those testifying, would be that such forests would enhance the visitor industry by keeping Hawaii green.

Your Committee feels that additional and continued research is needed to determine the technical and economic viability of biomass production for energy purposes as well as for development of alternative products.

Your Committee believes that for many reasons, Hawaii must continue to search for economic diversification and therefore will pass this measure to give the Finance Committee an opportunity to consider the merits of this proposal.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2621 and recommends it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hiraki and Hirono.  
(Representative Thielen voted no.)

**SCRep. 345-94 Energy and Environmental Protection on H.B. No. 2424**

The purpose of this bill is to require the Department of Health to develop a process to issue environmental closure reports in a timely manner.

Testimony in support of the intent of this bill was received from:

- (1) The Department of Health;
- (2) The Public Affairs Consultants-Hawaii representing the Western States Petroleum Association;
- (3) The Hawaii Automotive & Retail Gasoline Dealers Association;
- (4) The Hawaii Petroleum Marketers Association;
- (5) Monroe and Friedlander, Inc.;
- (6) Chevron USA;
- (7) The National Association for Office and Industrial Properties; and
- (8) The Hawaii Transportation Association.

The Public Affairs Consultants-Hawaii as well as other testifiers in support of this measure expressed the concern that the Department of Health fails to issue underground storage tank closure reports promptly, even when those responsible for the clean-up have followed the Department's guidelines and appear to have completed remediation as supported by consultants reports. This causes many properties to lie idle resulting in loss of revenue both to applicants as well as to the State.

Your Committee notes for purposes of clarification that the Department testifies that it does not issue closure reports per se, but reviews reports submitted to it. What is technically at issue then, is the Department's issuance of a letter indicating that, in the Department's judgment, no further action is necessary for a particular site at this time. The Department attributed current and past delays to insufficient resources and testified that it has taken managerial steps to streamline the process.

Your Committee expects that contaminated areas must undergo remediation in full compliance of the law but that the Department should also issue the proper notification in a timely fashion.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2424 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hiraki and Hirono.

**SCRep. 346-94 Energy and Environmental Protection on H.B. No. 2270**

The purpose of this bill is to establish a household hazardous waste collection program within the Department of Health.

Testimony in support of the intent of the bill was received from:

- (1) The Department of Health;
- (2) The Hawaii Pest Control Association; and
- (3) The Principal and the Household Hazardous Waste Program Coordinator of Kailua High School.

All testifiers expressed the need for a household hazardous waste removal program given the dangers regarding storage of hazardous chemicals in the home. The Department of Health's testimony stressed the importance of the bill's proposal to encourage cooperation and assistance among agencies in carrying out its objectives, noting that permanent collection efforts must also be coordinated with and directly include the counties.

Accordingly, your Committee voted unanimously to pass H.B. No. 2270 with a H.D. 1 incorporating language to involve the counties, as requested by the Department of Health.

Your Committee amended the bill by inserting the words ", including county agencies," on line 5, page 2.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2270, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2270, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hiraki and Hirono.

**SCRep. 347-94 Human Services on H.B. No. 3355**

The purpose of this bill is to add a requirement to pay for travel time of interpreting assignments requiring driving round trip in excess of 30 miles and to appropriate moneys to meet the additional requirement.

Testimony from the Commission on Persons with Disabilities, Coordinating Council on Deafness, Hawaii Registry of Interpreters for the Deaf, and an individual was received in support of this measure.

It is noted by your Committee that there is a limited number of sign language interpreters available statewide, and this measure would be an incentive for interpreters to accept assignments in the rural areas of each county, when working on jobs paid through the Hawaii State Coordinating Council on Deafness' Special Interpreter Fund. However, there was testimony from the entities that there would not be any way to determine the impact the \$5,000 appropriation would have on the existing fund. Therefore, they suggested your Committee remove the appropriation of \$5,000.

Upon further consideration, your Committee has amended this bill by:

- (1) deleting the appropriation section; and
- (2) inserting a new section that would amend Section 347D-3, HRS, titled, Responsibility of council for interpreter services. The amendment to section 347D-3 would include travel compensation for the interpreters.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3355, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3355, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Peters and Tanimoto.

**SCRep. 348-94 Human Services on H.B. No. 3323**

The purpose of this bill is to amend the age requirement for recovery against the estate of a deceased medical assistance recipient from age sixty-five to age fifty-five.

Testimony from the Department of Human Services was received in support of this measure. Testimony from the State Legislative Committee of the American Association of Retired Persons was received in opposition to this measure.

It is noted by your Committee that this measure is necessary for compliance with federal law (Omnibus Budget Reconciliation Act of 1993 P. L. 103-66) mandating recovery of payments from the estate of individuals who were fifty-five and older when receiving Medicaid.

Your Committee is in full support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3323 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Peters and Tanimoto.

**SCRep. 349-94 Human Services on H.B. No. 2610**

The purpose of this bill is to appropriate \$50,000 for fiscal year 1994-1995 to train outreach workers.

Testimony from YMCA Outreach Services and Adult Friends for Youth was received in support of this measure. The Office of Youth Services also supports the intent of this bill, but due to fiscal constraints cannot support the funding requests outside of the Executive Budget request.

It is noted by your Committee that the \$50,000 appropriated through this measure will train ten or more outreach workers. The Office of Youth Services cannot determine the exact number of outreach workers to be trained because the cost of training an outreach worker varies depending on the type of outreach service they are being trained for.

Your Committee is in full support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2610 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Peters and Tanimoto.

**SCRep. 350-94 Human Services on H.B. No. 2449**

The purpose of this bill is to exempt from civil liability anyone who provides shelter or any proper means of subsistence to needy persons, without remuneration or expectation of remuneration.

Testimony from West Maui Taxpayers Association, Maui Hotel Association, Maui Community Food Bank, Maui County H & H Concerns, Ka Hale A Ke Ola Homeless Center, and Harvest Chapel was received in support of this measure.

Testimony from the Hawaii Academy of Plaintiffs' Attorneys (HAPA) was received in opposition to this measure. HAPA believes that with the enactment of this measure, the Legislature will drastically alter existing law, eliminate the present rights of Hawaii's citizens, and discriminate against one segment of our community -- those who are in need.

It is noted that your Committee was unable to devise language that addressed the concerns raised by HAPA. Your Committee looks to the Committee on Judiciary for direction on possible language to address these concerns.

Your Committee is in full support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2449 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Duldulao, Peters and Tanimoto.

**SCRep. 351-94 Human Services on H.B. No. 3318**

The purpose of this bill is to establish an educational stipend to be paid directly to a former foster care youth who attends an institution of higher learning.

Testimony from the Department of Human Services, State Child Welfare Advisory Council, Kapiolani Medical Center for Women and Children, and Hawaii State Foster Parents Association was received in support of this measure.

It is noted by your Committee that currently, former foster youths who continue to attend an institution of higher education are eligible to receive foster board payments through payments made to designated "foster parents." However, this has not worked well especially for youths who are no longer residing with foster parents. Therefore, your Committee is in full support of this measure.

Upon further consideration, your Committee has amended the bill by deleting "shall" on line 11, page 2 and inserting "may" in its place.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3318, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3318, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Peters and Tanimoto.

**SCRep. 352-94 Judiciary on H.B. No. 2412**

The purpose of the bill is to require the Department of Land and Natural Resources to develop a comprehensive boating program.

Your Committee received testimony on the measure from a representative of the Department of Land and Natural Resources and private citizens.

Your Committee finds that a report by the Auditor about the financing of the small boat harbors and boat ramps program of the Department of Land and Natural Resources contained recommendations which deserve immediate attention.

Further, your Committee believes a statewide boating program will improve the administrative aspects of the Department's work.

Your Committee has amended the measure by:

1. Eliminating the reference to milestones;
2. Adding the words "where practical" in the reference to harbor offices' operating days;
3. Eliminating the reference to enforcement authority of harbor agents; and
4. Providing that administrative rules be adopted in accordance with Chapter 91.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2412, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2412, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Bunda, Hirono, Oshiro, Peters and Takamine.

**SCRep. 353-94                      Judiciary on H.B. No. 2221**

The purpose of this bill is to establish a state clearinghouse and resource center demonstration project to address the problem of missing and exploited children.

Testimony in support of this bill was received by your Committee from the Department of the Attorney General, the Office of Children and Youth, the Hawaii State Commission on the Status of Women, the National Center for Missing and Exploited Children, the Department of the Prosecuting Attorney of the City and County of Honolulu, the Hawaii Green Party - Oahu, Hawaii Women Lawyers, the Sex Abuse Treatment Center, the North Shore Business and Professional Women's Club of Kauai, Parents and Children Together, the Hawaii State Coalition Against Sexual Assault, and a number of individuals.

Your Committee finds that there is no centralized office in Hawaii to coordinate efforts to locate, recover, and protect missing children. Your Committee believes that a clearinghouse will help ensure that law enforcement agencies properly carry out their mandated functions when a child is reported missing, and could be the source of prevention and education services to families to better protect our children.

Your Committee believes that a children's fingerprint program for easier identification of children is an educational program designed to prevent child abduction, enhance child safety, and raise public awareness about ways to prevent child abduction.

Your Committee finds that federal and private funding resources are available to help Hawaii establish a state clearinghouse for missing children, and that such funding should be pursued. Your Committee finds that the National Center for Missing and Exploited Children and the U.S. Department of Justice are two such agencies that could provide funding to Hawaii's clearinghouse.

Your Committee has amended the bill by:

- (1) Providing for appointment of a coordinator for the program who shall coordinate existing public and private resources and define and develop, to the extent of available resources, the most appropriate system for addressing the problem of missing children.
- (2) Deleting the requirement that the project create a children's fingerprint program since that is an educational program already covered under the bill.
- (3) Inserting an appropriation of \$141,704 for fiscal years 1994-1995, 1995-1996, and 1996-1997 for the salary of a coordinator for the missing children state clearinghouse demonstration project.

Your Committee has also made technical, nonsubstantive amendments to the bill.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2221, as amended herein, and recommends and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Amaral, Hirono, Menor, Peters, Takamine and White.

**SCRep. 354-94                      Judiciary on H.B. No. 2278**

The purpose of the bill is to apply the 1/2 percent general excise tax rate to revocable living trusts owned by individuals who are blind, deaf, or totally disabled. The measure expands the exclusion from general excise tax of the first \$2,000 of income received to individuals who are blind, deaf, or totally disabled, corporations all of whose outstanding shares are owned by individuals who are blind, deaf, or totally disabled, or revocable living trusts owned by individuals who are blind, deaf, or totally disabled.

Your Committee received testimony on the measure from representatives of the Department of Taxation of the State of Hawaii, and the Tax Foundation of Hawaii.

Your Committee notes that revocable living trusts are often established as an estate planning tool and have become very popular in the last few years. Inasmuch as the General Excise Tax Law does allow a favorable tax rate to individuals who are blind, deaf, or totally disabled, in the interest of fairness and equity, revocable living trusts whose grantors are blind, deaf, or totally disabled should receive the same treatment.

Your Committee has amended the measure by explicitly referring to revocable living trusts instead of grantor trusts, and applying the exemption to revocable living trusts, the grantors of which are blind, deaf, or totally disabled.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2278, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2278, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Bunda, Hirono, Oshiro, Peters and Takamine.

**SCRep. 355-94            Judiciary on H.B. No. 3672**

The purpose of the bill, as received by your Committee, was to appropriate funds to hire 40 truancy outreach workers, one for each high school in the State.

Testimony in support of the intent of the measure was received by your Committee from representatives of the Department of Education, the Police Department of the City and County of Honolulu, the Hawaii State Teachers Association, and a number of individuals associated with education.

Your Committee finds that cutting classes and truancy from school are often the first warning signs that a youth is at risk. Approaching these youths at this early stage could effectively enhance the lives of these youths and the safety and security of the community.

Your Committee, however, remains concerned over the limited resources available for expenditure by the State, and believes that the number of positions should be reduced to fifteen.

Your Committee wishes to make clear its intention that the positions be spread throughout the State, including the neighbor islands. It is further your Committee's intent that this program to address truancy should work closely with other related programs. Lastly, your Committee wishes to make clear that the funding provided for in this bill is not intended to be duplicative of funding for other programs or substituted for other funding, for example funds that may have been appropriated to the Office of Youth Services.

Therefore, your Committee has amended the bill to reduce the number of positions to fifteen, inserted \$1 in the appropriation section and inserted language to assure that outreach workers are available throughout the State.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3672, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3672, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Bunda, Hirono, Oshiro, Peters and Takamine.

**SCRep. 356-94            Judiciary on H.B. No. 2990**

The purpose of this bill is to provide supplemental operating funds to the Judiciary for fiscal year 1994-1995, and for capital improvement project funding for the design of the Kauai Judicial Complex, the construction of the Molokai District Court, and the recurring remodeling and upgrading efforts of Judiciary facilities statewide.

Testimony in support of this bill was received by your Committee from the Judiciary.

Your Committee supports the Judiciary's budget requests in Section 3 of the bill without amendment for JUD101 (Courts of Appeal) and JUD112 (Family Courts). Your Committee also supports the Judiciary's budget requests in Section 4 of the bill without amendment for capital improvement project funding.

Your Committee has amended the budget request for JUD111 (Circuit Courts) by:

- (1) Deleting the request for one court reporter for the First Circuit (\$36,360).
- (2) Deleting the request for added positions and funds to convert two circuit court judges and six various positions and related expenses from temporary to permanent positions (\$241,182).
- (3) Deleting one-third of the supplemental funds request for an increase in jury fees, mileage, and meals for the First Circuit.
- (4) Deleting one-third of the supplemental funds request for increases in psychological examinations, court reporter fees, interpreter fees, and attorney fees for the First Circuit.

Your Committee finds that the funding requests enumerated above were requested to deal with the current DUI case backlog in the First Circuit. Your Committee finds that a case pending before the Hawaii Supreme Court could remove these DUI cases to the district court, thus alleviating the DUI case backlog in circuit court. Your Committee believes that funding these positions to address the backlog problem while the issue remains undecided at the Hawaii Supreme Court would be premature.

Your Committee has amended the budget request for JUD121 (District Courts) by deleting the request for central services and administrative expenses for its driver education program (\$150,000). Your Committee finds that the Department of Commerce and Consumer Affairs is charging the Judiciary for costs associated with administering the

driver education program. Your Committee encourages the Department and the Judiciary to work together to resolve this matter without legislative relief.

Your Committee has amended the budget request for JUD201 (Administrative Director Services) by deleting funds for one court security and safety coordinator and related costs. Your Committee finds that this function is properly within the jurisdiction of the Office of the Sheriff.

Your Committee has made a technical amendment to the bill.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2990, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2990, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Amaral, Hirono, Menor, Peters, Takamine and White.

**SCRep. 357-94                      Judiciary on H.B. No. 2366**

The purpose of this bill is to provide an additional source of funding for legal services to indigent persons through a filing fee surcharge on civil cases. The bill provides for a surcharge of \$20 and \$10 for circuit court and district court filings, respectively.

Your Committee received testimony in support of the bill from the Department of the Attorney General, the Hawaii State Commission on the Status of Women, the Hawaii Justice Foundation, the Native Hawaiian Legal Corporation, Hawaii Lawyers Care, the Legal Aid Society of Hawaii, the Domestic Violence Clearinghouse, the American Civil Liberties Union of Hawaii, the Maximum Legal Services Corporation, the Hawaii Civil Rights Commission, the Protection and Advocacy Agency of Hawaii, and a number of individuals.

Your Committee finds that not all of the legal needs of indigent persons are being met and that efforts to provide legal services to the poor have been negatively impacted due to lack of funding.

Your Committee believes that all persons, regardless of their financial status, should have access to the judicial system.

Your Committee agrees that there is a question concerning the propriety of naming the Hawaii Justice Foundation in the statutes as the organization to administer and receive five per cent of annual distributions from the special fund created by the surcharge. Your Committee has therefore amended the bill to delete all references to the Hawaii Justice Foundation and assign the responsibility of administering the fund to the administrative director of the courts or the administrative director's designee.

Your Committee has also made technical, nonsubstantive amendments to this bill.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2366, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2366, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Amaral, Hirono, Oshiro, Peters, Takamine and White.

**SCRep. 358-94                      Judiciary on H.B. No. 2387**

The purpose of this bill is to propose an amendment to the Constitution of the State of Hawaii to repeal the Governor's power to veto line items or reduce monetary amounts in appropriations bills.

Your Committee received testimony in opposition to the bill from the Department of Budget and Finance. In their testimony, the Department stated that the line-item veto is essential to maintaining constitutional separation of powers, and helps make the state budgeting process more efficient.

Your Committee disagrees with the Department's testimony. Instead, the Committee finds that the line-item veto tilts the balance of power between the legislative and Executive branches of government too much in favor of the Executive. This bill will help to correct that situation, and will not detract from budgeting efficiency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2387 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Bunda, Hirono, Oshiro, Peters and Takamine.

**SCRep. 359-94 Labor and Public Employment on H.B. No. 2259**

The purpose of this bill is to establish a temporary commission on government organization and efficiency to conduct a comprehensive review of state government operations, and to make recommendations for administrative and legislative action necessary to make current and future state government operations cost-effective and efficient.

Your Committee received testimony in support of this bill from the Office of the Governor.

A private citizen testified generally in support of the concept of this bill, but expressed reservations as to the membership of the temporary commission.

Based on the report of the Interim Commission, convened pursuant to H.C.R. No. 209-93, your Committee finds that, "an overall analysis of the efficiency of government is needed in which old assumptions and institutions are questioned with an eye towards restructuring and reinventing the government process."

Your Committee has amended this bill by:

- (1) Requiring the commission members to be appointed within thirty days of the Act's effective date;
- (2) Terminating the commission within one hundred twenty days after submission of its final reports;
- (3) Appropriating \$1 for the expenses of the commission; and
- (4) Making other technical, non-substantive amendments for the purpose of style and clarity.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2259, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2259, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Alcon and Ward.

**SCRep. 360-94 Labor and Public Employment on H.B. No. 2585**

The purpose of this bill is to provide funding and 5.50 additional positions to reduce the caseload of Hawaii Civil Rights Commission (Commission) investigators.

Your Committee received testimony in support of this bill from the Hawaii Civil Rights Commission, the Hawaii Green Party - Oahu, and Code of Silence/Broken.

Testimony in opposition to this bill was received from The Chamber of Commerce of Hawaii

Your Committee finds that the burgeoning caseload of discrimination complaints filed with the Commission has reached a crisis level. Given the limited number of investigators, the Commission has been unable to process the large number of filed cases in a timely fashion.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2585, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Alcon and Ward.

**SCRep. 361-94 Labor and Public Employment on H.B. No. 2962**

The purpose of this bill is to allow the Department of Education, rather than the Department of Personnel Services, to classify education paraprofessional positions based on a system which is similar to the classification system for teachers in the Department of Education.

Testimony in support of this bill was received from the Department of Education, the Hawaii Government Employees Association, and the Hawaii State Teachers Association. The Department of Personnel Services submitted testimony deferring to the Department of Education on matters regarding its personnel.

Your Committee finds that the existing civil service classification, recruitment, and employment systems for educational assistants, communication aides, teaching assistants, counseling assistants, and other related classifications within the Department of Education, are not designed to respond to the dynamic and changing needs of students and schools. Traditional civil service position classification controls do not provide needed incentives to attract and retain the most capable school paraprofessionals and encourage their growth, development, and effective performance on the job.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2962, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Alcon and Ward.

**SCRep. 362-94 Intergovernmental Relations and International Affairs on H.B. No. 2912**

The purpose of this measure is to provide for a ninety-day time extension when considering housing construction requests in contested case proceedings.

In addition, this bill provides that the extension will only be granted either upon stipulation of all parties involved in the proceeding or upon determination by the state agency involved.

Testimony in support of this measure was received from the Land Use Commission, the State Streamlining Task Force and the Hawaii Association of Realtors.

Your Committee finds that the current six-month time period may not be sufficient during certain contested case proceedings and that an extension of ninety days may provide the necessary time for an adequate and complete record to be presented to the agency for its consideration.

As affirmed by the record of votes of the members of your Committee on Intergovernmental Relations and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2912 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Alcon, Hagino and Ward.

**SCRep. 363-94 Intergovernmental Relations and International Affairs on H.B. No. 3716**

The purpose of this bill is to provide that the central coordinating agency within each county shall schedule a single hearing when multiple permits are required to be given a public hearing.

Testimony was received from the State Streamlining Task Force and the Director of the Department of Land Utilization, City and County of Honolulu, in strong support of the measure.

It is noted that this measure is in accord with the Legislature's intent to streamline the State's approval process for housing development as expressed in Act 227, Session Laws of Hawaii 1992, that set up the State Streamlining Task Force.

At the present time, sequential referrals for planning, zoning, and permits cause a delay of up to five years before construction can commence on a land development project.

Your Committee finds that this is an unacceptable delay, given the acute need for available housing in Hawaii.

Your Committee further finds that processing time for applications will be significantly reduced if the central coordinating agency schedules a single joint hearing when multiple land development approvals require public hearing.

Accordingly, your Committee favors this measure in the interest of reducing delay in the hearing of development applications, and, ultimately, in the interest of facilitating the construction of housing in the state.

As affirmed by the record of votes of the members of your Committee on Intergovernmental Relations and International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3716 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Alcon and Hagino.

**SCRep. 364-94 Judiciary on H.B. No. 3542**

The purpose of this bill is to allow any owner or lessee with a lease for a term of not less than thirty years to harvest trees on agricultural land in accordance with an approved management plan.

Your Committee received testimony in favor of the bill from the Department of Land and Natural Resources and from a private citizen. Both stated in their testimonies that state forest lands can best be fostered by removing regulatory disincentives for private investment in commercial forest resources.

The Forestry Manager, Kamehameha Schools Bishop Estate, also testified in favor of the bill, but with a suggested amendment to reinstate the compensation provisions contained in the bill as introduced. The Sierra Club, Hawaii Chapter, submitted testimony in opposition to the bill.

After carefully considering all of the testimony submitted, your Committee has decided to pass the bill out as received from the Committee on Agriculture, without further amendment. Your Committee believes that the bill will encourage development of Hawaii's forest resources.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3542, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Amaral, Hirono, Menor, Peters, Takamine and White.

**SCRep. 365-94            Judiciary on H.B. No. 3510**

The purpose of this bill is to appropriate funds to the Judiciary to carry out the provisions of traffic violations decriminalization legislation pursuant to Act 214, Session Laws of Hawaii 1993.

Your Committee received testimony in favor of this bill from the Judiciary. The Judiciary maintains that while the traffic violations decriminalization effort may save the State money in the long run, there are certain start-up costs that need to be funded now. These start-up costs include computer software modifications, the printing of new forms, and acquisition of personal computers in the courtrooms.

While your Committee is in full support of the traffic violations decriminalization effort, we are concerned by this additional funding request. Your Committee has therefore amended the bill by changing the amount of the appropriation from \$705,780 to \$1 for the purpose of continued discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3510, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3510, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Bunda, Hirono, Oshiro, Peters and Takamine.

**SCRep. 366-94            Judiciary on H.B. No. 3171**

The purposes of this bill are to:

- (1) Reduce the penalty for violating rules adopted and published by the Department of Land and Natural Resources pertaining to ocean recreation from \$10,000 to \$2,000; and
- (2) Specify that the penalty shall remain at \$10,000 for violations relating to unauthorized discharge, dumping, or abandoning in state waters of any petroleum product, hazardous material, or sewage in violation of State water quality standards.

Your Committee received testimony in favor of this bill from the Department of Land and Natural Resources. The Department noted that because of the potential maximum penalty of \$10,000 in current statute, courts may grant jury trials for relatively minor offenses, thereby contributing to the backlog. In addition, \$10,000 is too large a penalty for most minor offenses of Department rules pertaining to ocean recreation.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3171 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Amaral, Hirono, Menor, Peters, Takamine and White.

**SCRep. 367-94            Housing on H.B. No. 2754**

The purpose of this bill is to establish the requirement to report aggregate tax credits claimed by taxpayers and aggregate rent paid by the taxpayers for each year.

Your Committee, upon further consideration, feels that it is appropriate to place the portion of unclaimed low income renter tax credits into the Rental Housing Trust Fund, and therefore amends the bill to allow placement into the fund of all or a portion of the excess of the general excise tax.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2754, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2754, H.D. 2, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Peters, White and Tanimoto.

**SCRep. 368-94            Energy and Environmental Protection on H.B. No. 3561**

The purpose of this bill is to enhance cooperation among the Department of Health, the Department of Education and other State departments with respect to the identification and investigation of suspected clusters of environmentally-based illnesses or diseases among children. The bill proposes to accomplish this by amending sections of Chapter 301 to:

- (1) Clarify the duties and responsibilities of the Department of Education in the identification and reporting of suspected clusters of illness or disease, which may be related to environmental contamination, to the Department of Health;

- (2) Clarify the duties and responsibilities of the Department of Health with respect to the identification, investigation, and reporting of suspected clusters of illness or disease which may be related to environmental contamination;
- (3) Authorize the Department of Health to pool the resources of other State departments to conduct necessary investigations; and
- (4) Eliminate financial restrictions on the Department of Health's responsibilities for school-based and related health services to exceptional children.

Testimony supporting the intent of H.B. No. 3561 was received from:

- (1) The Department of Education (DOE);
- (2) The Department of Health (DOH);
- (3) The Environmental Center of the University of Hawaii;
- (4) Representative Annelle Amaral; and
- (5) A number of parents and concerned citizens.

The Departments testified that they would collaborate in identifying and addressing the health problems covered by this bill, with the Department of Health further testifying on the nature of the existing collaborative arrangements between the two departments. The Department of Education, like most of the testifiers, strongly supported the elimination of the financial restrictions on DOH support services to exceptional children.

No testimony in opposition to the bill was presented to your Committee. However, testimony from the Environmental Center noted that the identification of causal relationships between illnesses and environmental conditions was problematic even after extensive epidemiological study. The Center, while supporting the conduct of such studies, stressed the need to have increased environmental sampling and monitoring for the detection and ameliorative treatment of environmental contaminants before human exposure occurs. The Department of Health expressed similar views in its oral and written testimony.

Your Committee recognizes the potentially serious health problems which may be posed by environmental contaminants and that the deleterious effects of such exposure may be especially pronounced for children. Your Committee also recognizes the particular concerns of the parents who testified before it and their frustration with the existing process for identifying and investigating potential problems. Your Committee believes that the present bill clarifies the responsibilities of the departments and assigns the necessary authority to the Department of Health to more expeditiously investigate and report on health problems in children which are suspected of having an environmental component.

Accordingly, your Committee voted unanimously to pass the bill without amendment.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3561 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hiraki and Hirono.

**SCRep. 369-94 Water and Land Use Planning on H.B. No. 2626**

The purpose of this bill is to appropriate funds to establish game management areas along the Hilo-Hamakua Coast region. The establishment of game management areas would provide additional hunting opportunities for the public as well as quality recreational, subsistence and cultural experiences. Under this bill, funds are to be expended for operating purposes including staff support. Pig hunting is included as a game management activity.

Your Committee received testimony generally supporting the bill from the Department of Land and Natural Resources, The Nature Conservancy of Hawaii, and Mr. Stanley Yasuda. The Department of Land and Natural Resources emphasized that the term "game management area" refers to public hunting areas where intensive management is carried out to maximize recreational and subsistence hunting opportunities. The Department noted that opening and operating new public hunting areas for game management could require significant funding to acquire the land, develop infrastructure, install habitat improvements, and manage and maintain them.

Your Committee agreed with the Department and adopted its recommendations. Your Committee has amended this bill by:

- (1) Replacing the term "game management areas" (Section 1, line 4) with the term "public hunting areas";
- (2) Replacing the word "shall" (Section 1, line 7) with the word "should"; and
- (3) Replacing the game management inclusion "activities such as pig hunting" (Section 1, line 8) with the game management inclusion "improvements leading to more pig hunting opportunities".

As affirmed by the record of votes of the members of your Committee on Water and Land Use Planning that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2626, as amended herein, and

recommends that it pass Second Reading in the form attached hereto as H.B. No. 2626, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Tajiri and Thielen.

**SCRep. 370-94 Water and Land Use Planning on H.B. No. 2876**

The purpose of this bill is to extend the effect of the long-term agricultural lease law relating to public lands by 1 year to 7/1/95.

The Department of Land and Natural Resources testified that it intends to comply with the existing sunset date of July 1, 1994, but have no objections if the date is extended.

As affirmed by the record of votes of the members of your Committee on Water and Land Use Planning that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2876 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Tajiri and Thielen.

**SCRep. 371-94 Water and Land Use Planning on H.B. No. 3140**

The purpose of this bill is to increase the Hawaii Community Development Authority's Improvement District bond authorization from \$30 million to \$60 million.

Your Committee received testimony in support of this measure from the Hawaii Community Development Authority. In their testimony, they stated that the additional bond authorization of \$30 million will enable them to continue offering financial assistance to the property owners affected by the district-wide improvements program.

As affirmed by the record of votes of the members of your Committee on Water and Land Use Planning that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3140 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Tajiri and Thielen.

**SCRep. 372-94 Water and Land Use Planning on H.B. No. 3450**

The purpose of this bill is to enhance the Hawaii Community Development Authority's (HCDA) redevelopment efforts in Kakaako, Oahu by broadening its authority to finance public improvements.

Currently, under HCDA's District-Wide Improvement Program, property owners specifically benefiting from the public facilities are assessed their proportionate share of the facility cost. This bill would broaden HCDA's authority in a similar way that the 1992 Legislature had granted the counties the authority to establish community facilities special tax districts (Section 46-80.1, Hawaii Revised Statutes). Under this statute, the counties are authorized to impose a special tax on properties generally benefiting from the development of public facilities. Likewise, this bill would authorize HCDA to assess property owners who would generally benefit from a public facility created as part of HCDA's District-Wide Improvement Program.

Based on the advise of Bond Counsel, HCDA recommended that the bill be amended by:

- (1) Creating a new section to grant this new financing authority rather than amending Section 206E-6, HRS;
- (2) Either establishing a bond authorization amount for the new section or broadening the existing bond authorization language to also apply to bonds issued under the new section; and
- (3) Incorporating the new financing authority to HCDA's existing general powers to issue revenue bonds.

The intent behind creating a new section is to ensure very clear statutory authority and avoid any possible ambiguity which could cloud HCDA's ability to proceed with the issuance of bonds.

Your Committee shared concerns that property owners with a greater capacity to pay for these assessments could force small landowners into making payments that they may not be able to afford.

Upon further consideration, your Committee has amended the bill by:

- (1) Creating a new section to grant HCDA the new financing authority rather than amending Section 206E-6. This new section includes the following:
  - (a) Authorizes HCDA to assess the cost of providing public facilities against real property;
  - (b) Requires HCDA to assess real property according to benefits conferred by the public facilities, and suggests methods for assessment;

- (c) Authorizes HCDA to issue and sell bonds authorized by the Legislature to finance such public facilities;
  - (d) Specifies requirements and authorizations for the securing of bonds;
  - (e) Requires HCDA to adopt rules related to the undertaking and financing of such public facilities;
  - (f) Authorizes HCDA to enter into any agreement with the county in which the public facilities are located;
  - (g) Requires all moneys collected through this new mechanism to be deposited in the Hawaii Community Development Revolving Fund.
  - (h) Requires public facilities financed through bonds issued by HCDA and dedicated to the county to meet county requirements;
  - (i) Requires HCDA to establish rules related to the allocation of costs for removing, relocating, replacing, or reconstructing public facilities among HCDA, the affected public utilities, and properties that may benefit; and
  - (j) Exempts government properties from assessments, except that nonexempt persons or entities leasing government property are not exempt;
- and
- (2) Amending related existing sections to carry out this new financing authority, including the following:
    - (a) Incorporates the new financing authority among HCDA's existing general powers to issue revenue bonds;
    - (b) Authorizes HCDA to combine two or more public facilities in a special improvement program, for which HCDA may issue revenue bonds; and
    - (c) Broadens the existing bond authorization language so that it also applies to bonds issued under the new section, thereby making HCDA's existing \$30,000,000 limit apply to bonds issued for public facilities generally benefitting public facilities properties as well as those that specially benefit properties.

As affirmed by the record of votes of the members of your Committee on Water and Land Use Planning that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3450, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3450, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Tajiri and Thielen.

**SCRep. 373-94                      Tourism on H.B. No. 3252**

The purpose of this bill is to establish a temporary committee to promote surfing and Hawaiian canoe racing as events in the 1996 Olympic Games and appropriate funds to cover the expenses of the committee and promotional campaign.

Your Committee received testimony in support of this bill from the Office of Hawaiian Affairs and Na Wahine O Ke Kai.

Your Committee finds that the inclusion of surfing and Hawaiian canoe racing in the 1996 Olympics will promote Hawaiian culture and increase awareness of Hawaiian history and culture in the state and around the world, and will encourage travel to Hawaii.

Your Committee revised the bill by:

1. Providing that the governor will appoint three of the members of the committee from a list submitted by the President of the Senate and three from a list submitted by the Speaker of the House of Representatives;
2. Changing the appropriation amount to \$1 for the purpose of continuing discussion of the bill; and
3. Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3252, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3252, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Ishii-Morikami.

**SCRep. 374-94                      Tourism on H.B. No. 3089**

The purpose of this bill is to:

1. Require any state agency, when contracting for tourism-related research, to first consult with the Department of Business, Economic Development, and Tourism's Office of Tourism concerning contract provisions.
2. Give preference to the Hawaii Visitors Bureau and the School of Travel Industry Management of the University of Hawaii; provided that they have the research capacity to perform the contract.

Your Committee received testimony in support of this bill from the Department of Business, Economic Development and Tourism, and the University of Hawaii School of Travel Industry Management.

Your Committee finds that prior consultation with the DBEDT Office of Tourism for tourism research projects follows the policies of the State Tourism Functional Plan and allows the Office of Tourism to coordinate work with other agencies. Your Committee further finds that use of existing HVB and UH TIM school research resources makes for greater cost-effectiveness in the use of public funds.

Your Committee revised the bill by broadening the provision for consultation with the office by removing "the appropriateness of" and making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3089, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3089, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Ishii-Morikami.

**SCRep. 375-94            Tourism on H.B. No. 3649**

The purpose of this bill is to appropriate funds to the Commission on Employment and Human Resources for development of the visitor industry worker's training package by the Tourism Training Council.

Your Committee received testimony in support of this bill from the Department of Business, Economic Development and Tourism, the Department of Education, the Tourism Training Council, Kapiolani Community College, Retail Merchants of Hawaii, Master's of Hawaii, Polynesian Adventure Tours, Ka Ohana Aloha for Tourism, David Huffman Tourism Consultant, and the Hotel Employees and Restaurant Employees Union Local 5.

Your Committee finds that the tourism industry relies heavily on its frontline workers, who deal directly with visitors and have the greatest influence on visitor satisfaction. Furthermore, your Committee finds that the existing program for professional standards for tour guides has met with tremendous success, despite the nonexistence of its funding, and serves as an excellent model for the development and implementation of a comprehensive program for quality standards for frontline workers, training of workers and managers, and awareness of Hawaiian history and culture.

Your Committee revised the bill by:

1. Changing the appropriation amount to \$1 for the purpose of continuing discussion of the bill;
2. Designating the Department of Labor and Industrial Relations as the expending agency; and
3. Making technical, non-substantive changes for the purposes of style and clarity.

It is the intent of your Committee that the Tourism Training Council's report to the Legislature on this program include its determination of target areas, a measurement of the goals of the program, and an assessment of its accomplishment.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3649, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3649, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Chang, Ishii-Morikami and Lee.

**SCRep. 376-94            Tourism on H.B. No. 3392**

The purpose of this bill is to:

1. Direct the Office of Tourism of the Department of Business, Economic Development and Tourism to negotiate tourism promotion contracts in a timely manner;
2. Direct that such contracts extend for 2-year terms to correspond with long-term marketing strategies, when possible; and
3. Require that tourism promotion contracts involving funds from supplemental appropriations shall be limited to amounts not appropriated in the biennial budget.

Your Committee received testimony on this bill from the Department of Business, Economic Development and Tourism.

Your Committee finds that speedier contract negotiation and a longer contract period will greatly enhance the operations of both the Office of Tourism and the Hawaii Visitors Bureau, and follow an important recommendation of the Office of the Auditor in its 1993 report.

Your Committee revised the bill by:

1. Clarifying the provision limiting contracts involving supplemental appropriations in order to allow additional contracts to correct technical problems or other non-financial matters; and
2. Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3392, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3392, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Ishii-Morikami.

**SCRep. 377-94                      Tourism on H.B. No. 3339**

The purpose of this bill is to appropriate funds to the City and County of Honolulu for Molehu I Waikiki, a program of daily torchlighting and performances of music and hula at sundown in Waikiki.

Your Committee received testimony in support of this bill from the Department of Business, Economic Development and Tourism, the Tourism Training Council of the Department of Labor and Industrial Relations, the Hawaii Hotel Association, the Waikiki Improvement Association, and the Kapiolani Park Preservation Society.

Your Committee finds that Waikiki continues to serve as the focus of activities in the state's visitor industry, and that revitalization of Waikiki should include measures to increase the presence of Hawaiian cultural activities.

In addition, your Committee finds that the ongoing Molehu I Waikiki (Twilight at Waikiki) program, consisting of daily torchlighting, music and hula at Kuhio Beach Park, brings Hawaiian culture into Waikiki and enhances the atmosphere for both visitors and residents.

Your Committee revised the bill by:

1. Changing the appropriation amount to \$1 for the purpose of continuing discussion of the bill; and
2. Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3339, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3339, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Lee.

**SCRep. 378-94                      Hawaiian Affairs on H.B. No. 2669**

The purpose of this bill is to grant the Office of Hawaiian Affairs the authority to issue bonds.

Testimony in support of this bill was submitted by the Office of Hawaiian Affairs. Testimony in opposition to this bill was submitted by Na Koa Ikaika, Kia'Aina, Ka Lahui Hawai'i, and private citizens.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2669, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Lee and Tanimoto.

**SCRep. 379-94                      Hawaiian Affairs on H.B. No. 3025**

The purpose of this bill is to appropriate funds for the Department of Health to implement the Hawaiian genealogy project.

Testimony in support of this bill was presented by the Department of Hawaiian Home Lands and the Office of Hawaiian Affairs.

Testimony was also given by the Hawaii State Department of Health and other concerned citizens.

Based upon testimony presented, your Committee has amended this bill by appropriating the sum of \$1 for the continued consideration of the intent of this bill.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3025, as amended herein, and recommends

that it pass Second Reading in the form attached hereto as H.B. No. 3025, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Lee and Tanimoto.

**SCRep. 380-94 Hawaiian Affairs on H.B. No. 3452**

The purpose of this bill is to assist the Hawaiian Home Lands Trust Individual Claims Review Panel (Panel) in better ascertaining the nature of possible breaches of the Hawaiian Home Lands Trust which began prior to August 21, 1959, but continued after that date. This bill authorizes the Panel to investigate such possible breaches of trust without expanding the scope of the Panel's work.

Favorable testimony on the behalf of a client was presented by the Native Hawaiian Legal Corporation (NHLC). While NHLC is in accord with the intent of the bill, its testimony reflected that it is concerned that the bill does not address the issue of past breaches in a holistic manner. As a result NHLC suggested to your Committee that the bill be amended to modify the Panel's jurisdiction over claims concerning breaches of trust that occurred before August 21, 1959. NHLC's proposed modification would allow the Panel to review, evaluate, and recommend corrective action for those cases in which the claimant can prove that:

- (1) A breach of trust occurred before August 21, 1959; and
- (2) The State failed to take corrective action after statehood with respect to that breach.

In addition, testimony in favor of the initial intent of this bill was presented by Hawaiian Home Lands Trust Individual Claims Review Panel, the Office of State Planning (OSP) and other concerned citizens. OSP however stands in opposition to the proposed amendments offered by NHLC. OSP advised your Committee that the Federal government will not recognize any legislation wherein it is named as a party if it has not been a party in the drafting of the proposed legislation. This advice was offered in response to page 2 section 3 of the NHLC proposed amendments wherein a "No waiver of claim" section has been included to read:

"Nothing in this chapter shall be construed to waive the claims of individual beneficiaries against the United States of America or its instrumentalities with regard to any claim predicated, in whole or in part, on an act or omission which occurred prior to August 21, 1959, nor shall anything in this chapter be construed to waive the claims of the State of Hawaii against the United States of America or its instrumentalities with regard to any claim predicated, in whole or in part, on an act or omission which occurred prior to August 21, 1959."

Based upon the testimony presented, your Committee has amended this bill to reflect the concerns of NHLC.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3452, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3452, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Lee and Tanimoto.  
(Representative D. Ige voted no.)

**SCRep. 381-94 Hawaiian Affairs on H.B. No. 3155**

The purpose of this bill is to provide for family stability and continuity in a family's tenure on Hawaiian Homestead Lands by authorizing Hawaiian Homestead lessees to designate, in addition to spouse and children, a grandchild who is at least twenty-five per cent Hawaiian as a successor to the lease.

By way of a brief background, a survey taken in 1976 found that many homestead families were in jeopardy of being displaced from the homestead upon the lessee's death because the surviving spouse and children did not have at least fifty per cent Hawaiian blood. To provide for family stability and continuity in a family's tenure on the homestead, Act 272, Session Laws of Hawaii (SLH) 1982, was enacted to allow a homestead lessee to designate a spouse or children who have at least twenty-five per cent Hawaiian blood to succeed to the lease upon the lessee's death. The blood quantum requirement remained at fifty per cent for all other relatives who could be designated as successors. Consent to amending the Hawaiian Homes Commission Act (HHCA) by changing the blood quantum requirement provided by Act 272, SLH 1982, was given by Congress and approved by the President in 1986.

Since grandchildren are direct descendants of lessees, and since there is no compelling reason to require that they have at least fifty per cent Hawaiian blood in order to succeed to the lease, your Committee concurs with the intent of this bill.

Testimony in support of this measure was submitted by:

- (1) Ka Lahui Hawaii;
- (2) Ka Lahui Hawaii Political Action Committee;
- (3) Ka Lahui Hawaii, Honolulu District;
- (4) The State Council of Hawaiian Homestead Associations;

- (5) The Department of Hawaiian Home Lands; and
- (6) The Office of Hawaiian Affairs.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3155 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Lee and Tanimoto.

**SCRep. 382-94 Labor and Public Employment on H.B. No. 2257**

The purpose of this bill is to adjust the post retirement allowance for retirees and beneficiaries under the Employees' Retirement System by:

- (1) Providing that, beginning July 1, 1995, the post retirement increase will be the greater of the current 2.5 percent post retirement allowance, or one-half of the annual increase in the Honolulu Consumer Price Index; and
- (2) Capping the annual post retirement increase at 6 percent.

Testimony in support of the bill was presented by the Employees' Retirement System, the Hawaii Government Employees Association, the Retirees Unit of HGEA/AFSCME Local 152, the Coalition of Hawaii State-Counties Retirees Association, and the Senate Interim Committee to Review the Post Retirement Statutory Formula.

Your Committee finds that the current 2.5 percent post retirement allowance has not kept up with inflation. This bill will help retirees maintain the purchasing power of their pensions.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2257 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Alcon.  
(Representative Ward voted no.)

**SCRep. 383-94 Tourism on H.B. No. 3548**

The purpose of this bill is to appropriate funds to the Department of Business, Economic Development and Tourism for the promotion of the 1994 PGA Grand Slam of Golf.

Your Committee received testimony in support of this bill from the Office of the Mayor of the County of Kauai, the Kauai County Council, the Department of Business, Economic Development and Tourism, the Hawaii Visitors Bureau, the Hyatt Regency Kauai Resort, the Kauai Economic Development Board, the Poipu Beach Resort Association, and the Hawaii Hotel Association.

Your Committee finds that the event generates considerable economic benefit to Hawaii and also gives Hawaii tremendous television exposure that promotes Hawaii as a visitor destination. Golf has a particularly strong attraction for visitors from Japan/Asia and Europe, who have very favorable spending patterns.

Your Committee further finds that \$175,000 had been appropriated several years ago, but the funds went unspent after the event was forced to move because of Hurricane Iniki.

Your Committee revised the bill by changing the appropriation amount to \$1 for the purpose of continuing discussion of the bill and making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3548, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3548, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Ishii-Morikami.

**SCRep. 384-94 Transportation on H.B. No. 2289**

The purpose of this bill is to exempt limousines subject to regulation by the Public Utilities Commission from certain motor vehicle suncreening regulations.

Your Committee finds that the transportation of celebrities and diplomats often requires certain security measures to ensure their safety. Your Committee finds that the majority of this type of traveling is done by limousine service. Your Committee further finds that in order to protect the identity and position of persons traveling in a limousine for security purposes, that the windows located behind the left and right outside rear-view mirrors should be tinted darker than the 35 percent light transmittance requirement.

Your Committee received testimony from the Department of Transportation, the Public Utilities Commission, Hawaii Transportation Association, Travel Plaza Transportation, Inc., and T&T Tinting Specialists.

Your Committee has amended this bill by:

1. Clarifying Section 291-21.5(d)(6), Hawaii Revised Statutes, so that the transparent suncreening film materials on the windshield is measured from the manufacturer's top clear portion of the windshield if no AS-1 markings are found; and
2. Technical and non-substantive changes for the purpose of style and clarity.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2289, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2289, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Hagino, Shon and Ward.

**SCRep. 385-94                    Transportation on H.B. No. 2389**

The purpose of this bill is to require the Public Utilities Commission to include taxicabs in the uniform regulations of motor carrier operators in the State.

Your Committee received testimony on this bill from the Public Utilities Commission, the City and County of Honolulu, the Maui County Council Chair, and the Hawaii Transportation Association.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2389 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representative Hagino.

**SCRep. 386-94                    Transportation on H.B. No. 2428**

The purpose of this bill is to allow the courts and law enforcement officers to confiscate the license plates of an uninsured motorist. Also, this bill prohibits uninsured motorists from recovering damages in tort actions for bodily injury.

Your Committee finds that the number of traffic citations involving noncompliance to the State's no-fault insurance requirement have been steadily increasing throughout the years. Your Committee finds that no-fault insurance costs for responsible motorists who regularly maintain their insurance coverage have also been steadily increasing which may be partially attributable to the number of motorists who do not have coverage. Your Committee finds that enforcement of the no-fault insurance mandate and the related penalties need to be enhanced to help curb the climbing cost of insurance premiums.

Your Committee received testimony from the Department of Commerce and Consumer Affairs, the City and County of Honolulu Department of Finance, The Chamber of Commerce of Hawaii, the Hawaii Academy of Plaintiffs' Attorneys, State Farm Insurance Companies, the Honolulu Police Department, and the Hawaii Insurers Council.

Your Committee has amended this bill by:

- (1) Adding the requirement that the courts flag the motor vehicle computer system upon the confiscation of the license plates and certificate of registration for a motor vehicle found not to have the State's mandated insurance coverage;
- (2) Placing the responsibility of confiscating and destroying any motor vehicle certificates of registration, license plates, and tags or emblems with the courts.
- (3) Deleting provisions for immediate confiscation of license plates by law enforcement officers;
- (4) Deleting the provision prohibiting uninsured persons who operate or own a motor vehicle from recovering any death or injury entitlements arising from a motor vehicle accident occurring in this State; and
- (5) Incorporating various technical and non-substantive changes for the purpose of style and clarity.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2428, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2428, H.D. 1, and be referred to the Committees on Consumer Protection and Commerce and Judiciary.

Signed by all members of the Committee except Representative Hagino.

**SCRep. 387-94                    Transportation on H.B. No. 3725**

The purpose of this bill is to establish that a blood specimen may be withdrawn from the driver of a motor vehicle and tested upon the written request of a law enforcement officer provided the officer has reasonable grounds that the driver of the motor vehicle was under the influence of alcohol or drugs and was involved in a traffic collision resulting in injury to or the death of any person.

Your Committee finds that under current statutes, law enforcement officials cannot expedite its access to the blood test of a motorist involved in a motor vehicle accident and was believed to be under the influence of alcohol or drugs, if the motorist requests medical attention. Your Committee finds that law enforcement officials must present evidence before an investigative grand jury which must find probable cause before the motorist's blood test can be accessed.

Your Committee received testimony from the Department of Transportation, the Honolulu Police Department, the City and County of Honolulu Department of the Prosecuting Attorney, Mothers Against Drunk Driving, the Office of the Public Defender, and Craig Thomas, M.D., Director, Emergency Department, Wahiawa General Hospital.

Your Committee has amended this bill by:

- (1) Clarifying that a law enforcement officer must have reasonable grounds to believe that a driver was under the influence of alcohol or drugs before mandating a blood test; and
- (2) Incorporating technical and non-substantive changes for the purpose of clarity and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3725, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3725, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Hagino.

**SCRep. 388-94                      Transportation on H.B. No. 2429**

The purpose of this bill is to allow a court to confiscate the license plates of an uninsured motorist involved in a traffic accident, and allows a law enforcement officer to do the same for a repeat offender. This bill also prohibits uninsured motorists from recovering damages for property damages, compensated economic loss, and for non-economic loss.

Your Committee finds that there are increasing incidents of no-fault citations being issued throughout the State. Your Committee finds that the number of non-insured drivers may have a direct relation to the increase in insurance rates for vehicle owners who comply with the no-fault insurance mandate. Your Committee finds that a variety of enforcement measures are needed to ensure compliance with the State's no-fault insurance mandate.

Your Committee received testimony from the Department of Commerce and Consumer Affairs, Hawaii Academy of Plaintiffs' Attorneys, State Farm Insurance Company, and the Insurers Council.

Your Committee has amended this bill by:

- (1) Deleting the purpose clause relating to the enforcement of the State's no-fault insurance mandate;
- (2) Deleting all provisions which prohibit uninsured motorists from recovering damages for property damages, compensated economic loss, and for non-economic loss;
- (3) Deleting all provisions relating to the removal of vehicle license plates by the courts or law enforcement officers;
- (4) Amending Section 431:10C-111.5, Hawaii Revised Statutes, by adding a new subsection which would require insurance companies to notify no-fault insurance policy holders by certified or registered mail prior to a non-renewal or conditional renewal, and would require companies to continue all coverage until the date of expiration or sixty (60) days following notice of non-renewal or conditional renewal, whichever date occurs last; and
- (5) Incorporating various technical and non-substantive amendments for the purpose of clarity and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2429, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2429, H.D. 1, and be referred to the Committees on Consumer Protection and Commerce and Judiciary.

Signed by all members of the Committee except Representative Hagino.

**SCRep. 389-94                      Transportation on H.B. No. 3194**

The purpose of this bill is to permit central services expenses to be more equitably assessed against the special funds of the Department of Transportation, and to allow the Directors of Finance and Transportation to determine actual costs of central services.



The purpose of this bill is to prohibit the manufacture, sale, distribution, and possession of facsimile driver's licenses.

Your Committee finds that the county police departments are encountering increased usage of facsimile driver's licenses which are becoming harder to identify. Your Committee finds that persons who obtain facsimile driver's licenses frequently use them to commit criminal offenses like check forgery or are minors purchasing alcohol.

Your Committee received testimony from the Department of Transportation, the City and County of Honolulu Finance Department, the Honolulu Police Department, and Mother's Against Drunk Driving.

Your Committee has amended this bill by making technical and non-substantive changes for the purpose of clarity and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3729, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3729, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Hagino, Shon and Ward.

**SCRep. 393-94                      Transportation on H.B. No. 2972**

The purpose of this bill is to amend the license revocation statute by:

- (1) Including rulemaking powers;
- (2) Eliminating the existing prohibition on extension of the temporary permit when the arrestee fails to request a hearing within five days;
- (3) Authorizing the court to remand cases back to the administrative proceedings; and
- (4) Authorizing the imposition of witness fees and mileage on the requesting party.

Your Committee finds that traffic violations involving driving while under the influence (DUI) of alcohol or drugs have continued to clog the court system. Your Committee finds that the passage of the Administrative Revocation of Driver's License Acts of 1990 and 1991 were intended to alleviate the court system of DUI cases. Your Committee finds that in order for the Administrative Driver's License Revocation Office (ADLRO) to meet the Legislature's intent of expedient administrative adjudication of impaired drivers, that the ADLRO process be modified.

Your Committee received testimony from the Judiciary, the State Attorney General, and Paul J. Cunney, Attorney-at-Law.

Your Committee has amended this bill by:

- (1) Retaining the provision that an arrestee's temporary permit shall not be extended if the arrestee fails to request a hearing within the initial five-day period provided for that purpose;
- (2) Exempting the rules adopted by the Administrative Driver's License Revocation Office from chapter 91 requirements, and placing them under adjudicatory functions for the purpose of applicable sections of the Hawaii Revised Statutes; and
- (3) Incorporating various technical and non-substantive changes for the purpose of clarity and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2972, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2972, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Hagino.

**SCRep. 394-94                      Transportation on H.B. No. 3018**

The purpose of this bill is to reduce the maximum penalties for driving while a license has been suspended, revoked, or expired to a prison term of not more than ninety days. The bill also limits the fine that can be imposed for driving without being properly licensed according to Section 286-102, Hawaii Revised Statutes, to not more than \$100 for the first offense, and not more than \$1,000 or imprisoned not more than ninety days or both for any subsequent offense.

Your Committee finds that a person convicted while a license has been suspended, revoked, or expired rarely receives a sentence that results in a one year imprisonment. Your Committee finds that anyone charged with driving without a license or driving while a license has been suspended, revoked, or expired has the right to a jury trial because of the possibility of one year imprisonment.

Your Committee received testimony from a concerned citizen.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3018 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Hagino.

**SCRep. 395-94                      Transportation on H.B. No. 2980**

The purpose of this bill is to eliminate the point assessment for all decriminalized traffic offenses.

Your Committee finds that most decriminalized traffic offenses are moving or equipment violations which carry the minimum range of points. Your Committee finds that by eliminating the range of points for decriminalized traffic offenses will allow the courts to better identify problem drivers by monitoring the type and number of offenses an individual receives within a specified time period.

Your Committee received testimony from the Judiciary.

Your Committee has amended this bill by:

- (1) Retaining the provision that grants an individual six credit points if no violation has been charged against that individual twenty-four months immediately preceding the violation; and
- (2) Incorporating various technical and non-substantive changes for the purpose of style and clarity.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2980, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2980, H.D. 1, and be referred to the Committees on Consumer Protection and Commerce and Judiciary.

Signed by all members of the Committee except Representatives Hagino, Shon and Ward.

**SCRep. 396-94                      Transportation on H.B. No. 2715**

The purpose of this bill is to conform the penalty for driving while a license has been suspended, revoked, or expired with the penalties for violating other laws relating to motor vehicle licensing.

Your Committee finds that on July 1, 1994, Sections 286-132 and 286-136, Hawaii Revised Statutes, will contain similar penalty provisions for driving while a license has been suspended, revoked, or expired. This bill provides that Section 286-136, Hawaii Revised Statutes, will be the only section where the penalty provision for driving while a license has been suspended, revoked, or expired is located.

Your Committee received testimony from the Judiciary.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2715 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Hagino and Yonamine.

**SCRep. 397-94                      Transportation on H.B. No. 3491**

The purpose of this bill is to provide exemptions under certain circumstances from requirements under Chapter 287, Hawaii Revised Statutes, relating to proof of financial responsibility.

Your Committee finds that persons convicted of reckless or inattentive driving, driving while under the influence of intoxicating liquor, driving under the influence of drugs, driving while a license is suspended or revoked, or driving without no-fault insurance are required to provide proof of financial responsibility in order to maintain their driving privileges.

Your Committee received testimony from the City and County of Honolulu Department of Finance, and Koe J. Sakuda.

Your Committee has amended this bill by:

- (1) Deleting the provision granting an exemption for persons who:
  - (a) Reside in a rural area, with little or no access to mass transportation, and therefore depends solely upon a personal motor vehicle for transportation needs; and
  - (b) Furnishes reasonable evidence that any failure to provide proof of financial responsibility as required by this section is due to economic hardship;
- (2) Amending Section 287-20(a)(3), Hawaii Revised Statutes, to allow the courts to exempt persons convicted of driving without no-fault insurance from the financial responsibility requirement provided that this is the



The purpose of this bill is to waive the motorcycle driver licensing demonstration requirement for anyone who has completed an approved motorcycle education course.

Your Committee finds that 29 other states allow driver license examiners to waive the motorcycle and motor scooter skills test for applicants who have successfully completed an approved motorcycle education course. Your Committee finds that the skills test used in the State of Hawaii is based upon a test developed and formerly used by the Motorcycle Safety Foundation. Your Committee finds that students who successfully complete the Motorcycle Safety Foundation education course must encounter an enhanced skills test that is more stringent than the State's test.

Your Committee received testimony from the Department of Transportation, the City and County of Honolulu Department of Finance, Hawaii Motorcycle Dealer's Association, Dennis J. Freitas, Teri A. Epperly, and Morgan D.E. Keene.

Your Committee has amended this bill by:

1. Removing the proposed amendment from Section 286-108(b), Hawaii Revised Statutes, and placing it in Section 286-108(a), Hawaii Revised Statutes, for the purpose of consistency and clarity; and
2. Changing the effective date to January 1, 1995.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2231, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2231, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Hagino, Shon and Ward.

**SCRep. 401-94                      Transportation on H.B. No. 2285**

The purpose of this bill is to prohibit the manufacture, sale, or distribution of motor vehicle plates of similar design as the currently issued series.

Your Committee finds that facsimile license plates are being sold throughout the State as souvenirs. The design and size of the facsimile license plates are almost identical as the officially issued "Rainbow" plates, except the facsimile plates do not have the reflective qualities of the official plate. Your Committee finds that there is no statute prohibiting the manufacturing, selling, or distribution of such plates, in addition to the manufacturing, selling, or distribution of the accompanying tags or emblems required on the officially issued license plate.

Your Committee received favorable testimony from the City and County of Honolulu Department of Finance and the Honolulu Police Department.

Your Committee has amended this bill as follows:

1. Added the distribution of facsimile license plates as an additional prohibition; and
2. Included the prohibitive manufacture, sale, or distribution of the "tags or emblems" that accompany officially issued license plates.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2285, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2285, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Hagino and Shon.

**SCRep. 402-94                      Transportation on H.B. No. 2287**

The purpose of this bill is to include the consignee or the shipper as a party which may be cited for motor vehicle weight violations which include the transportation of a flatrack.

Your Committee finds that citations for flatrack weight violations are issued to the driver of the motor vehicle or the driver's employer. Many problems relating to improper weight distribution which result in weight violations can be attributed to the improper loading of the flatrack.

Your Committee has amended this bill by:

1. Clarifying the definition of "flatrack" with more detailed and descriptive language; and
2. Incorporating various technical and non-substantive modifications.

Your Committee received testimony from the Department of Transportation and the Hawaii Transportation Association.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2287, as amended herein, and recommends that it

pass Second Reading in the form attached hereto as H.B. No. 2287, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Hagino and Shon.

**SCRep. 403-94                    Transportation on H.B. No. 3175**

The purpose of this bill is to establish a trail and access special fund within the Department of Land and Natural Resources to deposit public and private moneys to be expended on the management, maintenance, and development of trails and accesses under the Na Ala Hele program.

Your Committee received testimony from the Department of Land and Natural Resources, the Sierra Club, the Tri-Isle Resource Conservation and Development Council, Kim Ku'ulei Kanoa, Robin Brandt, and the Tax Foundation of Hawaii.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3175 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hagino.

**SCRep. 404-94                    Transportation on H.B. No. 578**

The purpose of this bill is to establish and define the offense of carjacking, and to classify the offense as a class A felony.

Your Committee finds that the crime of carjacking has become an increasing problem for major cities throughout the nation. Your Committee finds that although criminal events involving carjacking have been rare in the State, there is no guarantee that their incidence will not increase. Your Committee finds that under current statutes, a person who commits this type of crime can be charged with several different penal offenses, including robbery and kidnapping. Your Committee finds that during criminal proceedings which involve carjacking, a jury must separate each penal offense and the evidence associated with each individual charge.

Your Committee received testimony from the Judiciary, the Honolulu Police Department, and the Office of the Public Defender.

Your Committee has amended this bill by:

- (1) Adding a purpose and intent section;
- (2) Placing the offense of carjacking in Chapter 707, Hawaii Revised Statutes;
- (3) Deleting the parole prohibition during the minimum prison term; and
- (4) Incorporating technical and non-substantive changes for the purpose of clarity and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 578, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 578, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Hagino.

**SCRep. 405-94                    Transportation and Intergovernmental Relations and International Affairs on H.B. No. 2186**

The purpose of this bill is to allow a motor vehicle dealer, upon the transfer of the title of a motor vehicle, 45 days to forward the properly endorsed certificate of ownership and certificate of registration to the appropriate Director of Finance.

Your Committees find that licensed automobile dealers and private citizens are required to forward both the certificate of ownership and the certificate of registration to the Director of Finance within twenty days of the sale of a vehicle. Your Committees further find that licensed automobile dealers are not granted an extension when dealing with vehicles that have out-of-state titles and liens.

Your Committees received testimony from the City and County of Honolulu Department of Finance and the Hawaii Automobile Dealers Association.

Your Committees have amended this bill by:

- (1) Extending the time limit for forwarding the certificate of ownership and the certificate of registration to the Director of Finance from twenty days to thirty days; and
- (2) Incorporating various technical and non-substantive changes for the purpose of clarity and style.

As affirmed by the records of votes of the members of your Committees on Transportation and Intergovernmental Relations and International Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2186, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2186, H.D. 1, and be referred to the Committees on Consumer Protection and Commerce and Judiciary.

Signed by all members of the Committees except Representative Hagino.

**SCRep. 406-94            Transportation and Intergovernmental Relations and International Affairs on H.B. No. 2197**

The purpose of this bill is to require any person who requests the shipping of a vehicle from one county to another county in the State to present to the shipper a no-fault insurance card as well as a motor vehicle registration for the vehicle.

Your Committees find that additional enforcement measures are necessary to address the increasing problems of no-fault insurance and the lack of coverage for vehicles. Your Committees further find that by placing the burden of proof on vehicle owners more frequently to show proof of insurance that the incentive for vehicle owners to maintain their insurance coverage will be enhanced.

Your Committees received testimony from State Farm Insurance, Young Brothers Limited, Jack Wolfe Insurance Inc., and the Hawaii Transportation Association.

Your Committees have amended this bill by:

- (1)        Exempting certain vehicles from the proof of no-fault requirement; and
- (2)        Incorporating various technical and non-substantive changes for the purpose of clarity and style.

As affirmed by the records of votes of the members of your Committees on Transportation and Intergovernmental Relations and International Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2197, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2197, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representative Hagino.

**SCRep. 407-94            Human Services on H.B. No. 3100**

The purpose of the bill is to revise the purpose of the Family Center Demonstration Project and to change the agency that is to perform the final evaluation of the project. Under current law, the Legislative Reference Bureau would perform the evaluation. The bill would have a neutral agency contracted for this function.

The Hawaii Community Services Council, Molokai General Hospital, Family Support Services of West Hawaii, and a private individual submitted testimony in support of the bill. Testimony indicated that each of the various family center sites has been successful in developing services for the unique needs of the area.

The Department of Human Services submitted testimony in opposition to the bill. Its opposition was primarily related to revising the purpose of the project. According to the Department, the amendment would reduce the service delivery emphasis of the project.

Your Committee has amended the bill to delete the revision to the purpose of the Family Center Demonstration Project.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3100, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3100, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Peters and Tanimoto.

**SCRep. 408-94            Human Services on H.B. No. 2617**

The purpose of the bill is to improve access to state and state-funded services for those who do not speak English or speak English on a limited basis. The bill proposes to achieve this purpose through the establishment of a coordinating council on language access, which would:

- (1)        Develop and implement programs;
- (2)        Coordinate existing resources;
- (3)        Develop standards for certifying and training interpreters;
- (4)        Develop language access standards for agencies; and
- (5)        Monitor compliance with these standards.

Testimony in support of the bill was received from The Hawaii Civil Rights Commission, Na Loio No Na Kanaka (The Lawyers for the People of Hawaii), Catholic Charities, The Interagency Council for Immigrant Services, and five private individuals. While in support of the intent of the bill, the Office of Community Services testified that it did not support any increase to its budget.

According to the testimony presented, the denial of access to non-English and limited-English speakers to state and state-funded services has been documented over the years. Although public agencies and agencies supported by government are prohibited from discriminating on the basis of national origin, language discrimination is a form of discrimination on this basis. While legal action has been taken against the State (in Magrobang, et al. v. Yuen, et al., Civil No. 76-0365), not enough meaningful progress in this area has been made, and frustration in the community is growing.

Many of the testifiers agreed that the systematic approach embodied in the bill is needed. For example, the unified system presented in the bill is much more preferable than having the various agencies develop different policies, standards, and procedures related to language access.

While in support of the bill, several testifiers recommended various amendments. Upon consideration of these recommendations, your Committee amended the bill as follows:

- (1) Changing the composition of the Hawaii State Coordinating Council on Language Access by:
  - (a) Reducing from five to three the number of representatives of state or county agencies;
  - (b) Reducing from five to three the number of members who are bilingual;
  - (c) Reducing from five to three the number of members of the public who have an interest in the provision of services to non-English and limited-English speakers;
  - (d) Deleting the representation of any specific program, specifically the Bilingual Access Line and the Interagency Council;
  - (e) Adding representation from a University of Hawaii unit providing professional training in interpretation and translation;
  - (f) Adding representation from a professional association of interpreters and translators;
  - (g) Adding representation of a bilingual referral service; and
  - (h) Adding representation of a coordinating and advocacy organization for services to non-English and limited-English speaking people;
- (2) Deleting reference to the Bilingual Access Line and Bilingual Immigrant Services as examples of resources to be coordinated by the Council;
- (3) Directing the Council to identify rather than develop standards for certifying and training interpreters;
- (4) Inserting as the appropriation amount the sum of \$1 as a means of continuing discussion on the bill; and
- (5) Making technical, nonsubstantive revisions for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2617, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2617, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Peters and Tanimoto.

**SCRep. 409-94            Tourism on H.B. No. 2881**

The purpose of this bill is to appropriate funds to the Department of Business, Economic Development and Tourism for the promotion of the 1995 Firefighters Games - Hawaii.

Your Committee received testimony in support of this bill from the Department of Business, Economic Development and Tourism, the Hawaii Visitors Bureau, a Honolulu City Councilmember, and Royal Hawaiian Shopping Center.

Your Committee finds that the organizers of the 1995 Firefighters Games - Hawaii will increase cost-efficiency by combining resources with the Aloha State Games, and that the 40 events of these international games will draw visitors--an estimated 5,000 competitors and their families--from around the world and will also promote Hawaii as a visitor destination and a sports center.

Your Committee revised the bill by:

1. Changing the appropriation amount to \$1 for the purpose of continuing discussion of the bill;
2. Adding an equal matching funds requirement;



The purpose of this bill is to provide for an infrastructure that improves the planning and coordination of energy, transportation and land use policies in the State, and promotes the use of renewable energy sources and alternative fuels. The bill seeks to address these areas:

- (1) Promote the use of alternative fuels for motor vehicles to reduce reliance on fossil fuels;
- (2) Foster the use of alternative modes of transportation and transportation management strategies to reduce transportation energy consumption; and
- (3) Encourage land use policies that reduce dependency on the personal automobile for travel.

Your Committee finds that continued growth of the State's transportation systems should incorporate alternative modes of travel, i.e. bicycles, and promote the development and use of alternative fuels in transportation vehicles. Your Committee finds that the urban planning process should encompass policies and ideas that represent all factions of the State. Your Committee finds that the development of a task force and the commencement of a summit to encourage an exchange of views and ideas are necessary to ensure an environmentally safe and energy conscious development plan for the State.

Your Committee received testimony from the Department of Transportation, Department of Land and Natural Resources, Office of State Planning, Department of Business, Economic Development and Tourism, the County of Maui Mayor's Bikeway Advisory Committee, the Electric Vehicle Association of Hawaii, Oahu Metropolitan Planning Organization, Miyabara Associates, Calvary Lutheran Church, Hawaii Bicycling League, Mary Helen Vesenka, Jerome M. Renick, James Freeman, and the Hawaii Green Party.

Your Committee has amended this bill by:

- (1) Amending Part I, section 3, subsection (2) to clarify the proposed duties and responsibilities of the Department of Business, Economic Development and Tourism; and
- (2) Incorporating various technical and non-substantive changes for the purpose of clarity and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3643, H.D. 1. as amended herein, and recommends and be referred to the Committee on Finance in the form attached hereto as H.B. 3643, H.D. 2.

Signed by all members of the Committee except Representative Hagino.

**SCRep. 413-94 Health on H.B. No. 3162**

This bill proposes to update the existing smoking in the workplace statute to reflect current scientific findings and public health policy relating to environmental tobacco smoke and extend current smoking protections to private sector workplaces without any additional expense to the employer.

Proponents of this measure included the Department of Health, the Hawaii Medical Association, the American Cancer Society, the American Heart Association, Kaiser Permanente, the Hawaii Nurses Association, HMSA, and various other members of the public.

Opponents of the bill included the Hawaii Restaurant Association, The Chamber of Commerce, the Tobacco Institute, and the Legislative Information Services of Hawaii Incorporated. They all argued that the Legislature should not infringe on the freedoms and initiatives of employers. They also felt that because there was such a wide variety of personalities in the workplace, this bill would be hard to enforce and would be unfair to business.

Your Committee notes that environmental tobacco smoke is a tremendous hazard to the public's health. It was noted that much of this exposure to tobacco smoke takes place in the workplace. Further, your Committee understands that cigarette smoke is the number one preventable cause of death, illness and disability in the nation as well as Hawaii. Your Committee also recognizes the fact that tobacco smoke causes tremendous economic losses each year and feels that this can be avoided through such a measure.

However, your Committee has concerns that this bill will decrease the effect of HB 3045 which bans smoking in all restaurants. Therefore, the Department of Health proposed that we amend this bill in order that the strength of HB 3045 not be jeopardized by this measure.

Accordingly, your Committee has amended this bill by making restaurants, or other places where smoking is already prohibited, exempt from this bill.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3162, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3162, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Kawakami and Tanimoto.

**SCRep. 414-94 Economic Development and Business Concerns on H.B. No. 2540**

The purposes of this bill are to:

- (1) Repeal the Office of Space Industry (OSI) under Part V of Chapter 201, Hawaii Revised Statutes (HRS); and
- (2) Lapse into the State general fund, all unencumbered and unexpended funds appropriated by the Legislature for the operation and support of OSI and its projects, including the construction of a spaceport and commercial rocket launching facility.

Testimony in support of the bill to statutorily eliminate OSI and funding for OSI was received from the Councilmember from District 6 of the County of Hawaii; the Sierra Club, Hawaii Chapter; the Big Island Rainforest Action Group; Life of the Land; the Kona Hawaii Civic Club; and other concerned citizens.

Your Committee also received testimony from a number of organizations and individuals supporting the role and efforts of OSI, including the Department of Business, Economic Development, and Tourism; the Department of Education; the Director of NASA's Ames Research Center in California; NASA's Lewis Research Center in Ohio; the Brigadier General of the U.S. Department of the Army, Medical Corps, at Tripler Army Medical Center; the Flights Projects Office of the Jet Propulsion Laboratory, California Institute of Technology; PACSPACE Pacific Space Center; the Pacific Regional Planetary Data Center; and the Director of Windward Community College's Aerospace Lab.

Your Committee finds that private support for a commercial spaceport in Hawaii does not appear to be promising at this time. However, your Committee recognizes that besides efforts to build a proposed commercial spaceport on the island of Hawaii, OSI is responsible for coordinating a wide range of projects that benefit the local economy, such as:

- (1) Establishing a high data rate Advanced Communications Technology Satellite (ACTS) ground station in Hawaii;
- (2) Initiating and sponsoring the Future Flight Hawaii Program;
- (3) Sponsoring a three-month space exhibition at Bishop Museum; and
- (4) Promoting Hawaii's networking with the international space community.

OSI also works closely with a number of agencies to provide economic and educational opportunities for the State. These agencies include the University of Hawaii, the Department of Education, private industry, NASA (National Aeronautics and Space Administration), NOAA (National Oceanic and Atmospheric Administration), the U.S. Department of Energy, and other government and private agencies.

Your Committee finds that statutorily eliminating OSI and its budget would jeopardize such positive activities made by OSI. It is the intent of the Committee to redirect OSI away from promotion of a spaceport and in the direction of these other ventures and activities which have greater promise. Upon completion of the final environmental impact statement, OSI may continue to be a repository for information on spaceport development and respond to inquiries, however, it may not actively pursue a spaceport in Hawaii without first obtaining specific legislative authorization to do this.

Therefore, upon extensive deliberation, your Committee has amended the bill by:

- (1) Retaining OSI by restoring Part V of Chapter 201, HRS;
- (2) Eliminating from the powers and duties of the OSI Director, reference to developing a business plan for a commercial space facility and for pursuing appropriate business partners; and
- (3) Continuing funding for the operation and support of OSI and its projects.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2540, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2540, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative M. Ige.

**SCRep. 415-94 Economic Development and Business Concerns on H.B. No. 2909**

The purpose of this bill is to add a new part to Chapter 445, Hawaii Revised Statutes, to regulate "going out of business sales"

Your Committee received testimony in support of this bill from the Department of Commerce and Consumer Affairs, Indich Collection Oriental Rugs, and private consumers and collectors of oriental rugs. The Oriental Rug Retailers of America submitted testimony relating their concerns about the proliferation of fraudulent "going out of business sales."

Testimony in opposition to this bill was received from the Legislative Information Services of Hawaii and the Hawaii Business League.

Your Committee finds that more and more, sales are being advertised under banner headlines proclaiming "going out of business," "lost our lease," or other similar terms, misleading consumers to believe that, because the merchant is under duress, prices will be reduced when that is not true.

Your Committee further finds that the additional licensing and regulation required under this bill may be unduly burdensome to businesses who are truly in distress and are attempting to liquidate their inventory.

Accordingly, your Committee has amended this bill by:

- (1) Limiting its application to persons who:
  - (a) Have not been continuously in business at the same location within the State for six months or more;
  - (b) Have inventory which includes one hundred or more items, each costing \$100 or more; and
  - (c) Have placed advertising having a list or fair market value of \$10,000 or more.
- (2) Requiring the affected person to post a notice in a conspicuous place which is visible and readable outside the place of business;
- (3) Removing any requirement for licensing and filing of any intention to hold a "going out of business sale"; and
- (4) Making technical, non-substantive amendments for the purpose of style and clarity.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2909, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2909, H.D. 1, and be referred to the Committees on Consumer Protection and Commerce and Judiciary.

Signed by all members of the Committee except Representative M. Ige.

**SCRep. 416-94            Agriculture on H.B. No. 424**

The purposes of this bill are to:

- (1) Construct a slaughterhouse on the island of Molokai;
- (2) Study the feasibility of constructing a rendering facility on the island of Molokai;
- (3) Plan, design, and construct a cattle facility, rendering facility, and meat processing facility on the island of Maui; and
- (4) Construct a storage cooling facility in Ka'u on the island of Hawaii.

This bill addresses a multitude of pressing needs in the livestock and agricultural crop industries on the Neighbor Islands.

Your Committee received testimony in agreement with the intent of the bill from the Department of Agriculture (DOA). However, in its testimony, the DOA indicated its concerns about certain aspects of the bill, including that:

- (1) The private sector needs to be a strong partner in the projects contained in the bill;
- (2) The storage cooling facility should serve other crops like ginger and would be more appropriately located in another site other than in Ka'u; and
- (3) As a regulator of the meat and poultry industry, it should not expend the appropriation contained in the bill for these projects. The DOA suggests, that if appropriate, the funds should be expended by the Department of Business, Economic Development, and Tourism.

The Department of Hawaiian Home Lands testified in strong support of the bill. Your Committee also received favorable testimony on various aspects of the bill from the Office of Economic Development of the County of Maui, Tri-Isle RC&D, Hikiola Cooperative, Friendly Market Center, Ltd., the Molokai Livestock Cooperative, and numerous other concerned citizens, particularly individuals from the island of Molokai.

Based on the testimony, and cognizant of the need for facilities to support the Hawaii's livestock and agricultural crop industries, your Committee amended the bill by:

- (1) Deleting funds to study the feasibility of constructing a rendering facility on the island of Molokai;
- (2) Appropriating funds for plans, design, and construction of a cattle staging area on the island of Maui; and
- (3) Changing the total sum amounts for the following projects:
  - (a) \$50,000 for plans, design, and construction of a rendering facility on the island of Maui;
  - (b) \$50,000 for plans, design, and construction of a meat processing facility on the island of Maui; and

- (c) \$75,000 for the construction of a storage cooling facility in Ka'u on the island of Hawaii.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 424, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 424, H.D. 2, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Chang, Ishii-Morikami and Tam.

**SCRep. 417-94          Agriculture on H.B. No. 3421**

The purpose of this bill is to eliminate the requirement whereby the Board of Agriculture's monthly audit with Federal Milk Marketing Order specifications, must be an independent audit.

Instead, this bill allows the Board of Agriculture (BOA) to contract an independent audit with Federal Milk Marketing Order specifications, which examines and verifies milk utilization by processing plants at least once per processor during the fiscal year when a Class I milk only situation exists and when milk is utilized for other than Class I purposes or rejected for reasons other than antibiotics, high temperature, low cryoscope, off-flavor, somatic cell count, or as determined necessary by the BOA.

In addition, this bill:

- (1) Requires the audit report for each processing plant to be made available upon completion; and
- (2) Adds the following definitions to the Milk Control Act under Chapter 157, Hawaii Revised Statutes (HRS):
  - (a) Buttermilk/cultured buttermilk;
  - (b) Class I milk;
  - (c) Class II milk;
  - (d) Cream;
  - (e) Excess pool;
  - (f) Flavored milk/flavored skim milk;
  - (g) Half-and-half;
  - (h) Pasteurized milk;
  - (i) Plant shrinkage;
  - (j) Recombined milk/reconstituted milk
  - (k) Route return; and
  - (l) Skim/skimmed milk.

Your Committee notes the testimony of the Department of Agriculture (DOA), that this bill will provide the BOA with more flexibility in the methods of verifying milk utilization by the processing plants, and that the savings generated by the passage of this bill will enable the dairy industry to address other issues and concerns.

Your Committee received testimony in strong support of the bill from the DOA and the Big Island Dairy Cooperative. The 50th State Dairy Farmers' Cooperative and a concerned citizen also testified in support of the bill.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3421 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Chang, Ishii-Morikami and Tam.

**SCRep. 418-94          Agriculture on H.B. No. 3263**

The purpose of this bill is to exempt the following from the Income Tax Law and the General Excise Tax Law:

- (1) Producers or producer-distributors; and
- (2) Any cooperative;

that markets milk and starts a new dairy farm in the State consisting of 300 cows or more, provided that the new dairy farm begins production of milk before December 31, 1998.

The bill provides that the tax exemption under each chapter shall be in effect for ten taxable years beginning the year the new dairy farm would have incurred a tax liability under the chapter if not exempt under the section of the chapter establishing the new dairy farms exemption, and continuing for the following nine years.

In its testimony, the Department of Agriculture (DOA) asserted its strong support of the intent of the bill, as the bill provides a needed incentive to have existing producers in Hawaii relocate their dairies, and serves as an incentive to attract new dairy producers to the State. A councilmember from the County of Hawaii testified in strong support of the bill. In addition, your Committee also received testimony from the Department of Taxation and the Tax Foundation of Hawaii, including their reservations to the bill.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3263 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Chang, Ishii-Morikami and Tam.

**SCRep. 419-94 Economic Development and Business Concerns on H.B. No. 2605**

The purpose of this bill is to establish a new class of liquor license for microbreweries.

Your Committee recognizes that permitting businesses to manufacture and sell domestic malt beverages that are unique to Hawaii would support business in Hawaii. In addition, this new category of liquor license would also facilitate efforts to diversify and broaden the state economy.

Supporting testimony was received from the directors of the Department of Liquor Control of the Counties of Hawaii, Kauai, and Maui; the Liquor Administrator of the City and County of Honolulu; and other interested citizens. Your Committee also received opposing testimony from the Retail Liquor Dealers Association of Hawaii. Testimony was also received from the Legislative Information Services of Hawaii and the Institute for Brewing Studies.

Your Committee has amended this bill by:

- (1) Changing the new class of liquor license from a microbrewery license to brewpub license;
- (2) Reducing the amount of barrels of domestic malt beverages that a brewpub can manufacture during the license year, from 10,000 barrels to 3,000 barrels; and
- (3) Reducing the amount of barrels of malt beverages that a brewpub licensee may sell at wholesale to any person who holds a license to resell or export, from 10,000 barrels to 3,000 barrels.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2605, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2605, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representative M. Ige.

**SCRep. 420-94 Ocean Recreation and Marine Resources on H.B. No. 3370**

The purpose of this bill is to appropriate an unspecified sum to the Department of Land and Natural Resources to contract the City and County of Honolulu to place two lifeguards at Kahana Beach.

Your Committee on Ocean Recreation and Marine Resources finds that the Kahana Valley State Park, should have water safety provisions. Kahana Valley State Park, which includes Kahana Bay, was established in 1970 and is used by residents as well as tourists. Presently, there is no professional water safety supervision at the Bay.

This bill will provide for the funding of two lifeguards at Kahana Beach for the fiscal year of 1994-1995.

Supportive testimony was given by the City and County of Honolulu stating that the Water Safety Division could provide the necessary equipment and professional staff, if the appropriate budgetary resources are available from the Department of Land and Natural resources. Supportive testimony was also given by a concerned citizen who grew up in the Kahana area.

Testimony against this measure was given by the Department of Land and Natural Resources explaining that there are insufficient funds in its budget to support this action. Also, if funds were provided, they would only allow for financial support for the fiscal year of 1994-1995.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3370 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Tajiri and Thielen.

**SCRep. 421-94 Housing on H.B. No. 3600**

The purpose of this bill is to create the Hawaii housing loan and grant program to provide counseling, grants, and low interest loans and appropriates \$4,000,000 for the fund.

Whereas there was a Senate bill introduced with the same purpose as HB3600, it was decided by your Committee that SB3306 SD1 should be amended to fulfill the objectives of both bills.

SB3306 SD1 recognizes that the closure of Hamakua Sugar Company and C. Brewer and Company sugar operations on the Hilo-Hamakua Coast of the Big Island will have detrimental impacts on the area's community. This bill will provide for an emergency loan program that will provide temporary assistance to families who have lost their jobs and require help to make mortgage payments on their homes. It will provide for State rental assistance funds to subsidize tenant's rents. In addition, it provides for a grant program to address critical infrastructure improvements required to ensure the continued operation of the Hamakua Sugar plantation camps.

This bill also amends section 201E-133 of the Hawaii Revised Statutes to raise the cap on the amount of the aggregate obligation of all such outstanding guarantees of the corporation from \$100,000,000 to \$102,300,000, provided that \$2,300,000 of the aggregate outstanding guarantee shall be used to benefit the employees or former employees of the Hilo Coast Processing Company and the Hamakua Sugar Company.

Your Committee amended the bill by deleting language that specified that the program may only be used for the Hamakua Housing Corporation camp housing units. It also amended the sum of \$1,200,000 from the general revenues of the State of Hawaii for low-interest loans to \$1. The sum of \$690,000 in section 4 of the bill was changed to \$1 as well as the sum of \$2,290,000 in section 5. In addition, language was added to specify that funds from general revenues of the State of Hawaii which provide State rental assistance funds and subsidies for tenants affected by the closure of the Hamakua Sugar Company and the Hilo Coast Processing Company are to permit them to manage and operate housing.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3600, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3600, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami, Peters and Tanimoto.

**SCRep. 422-94                      Public Safety and Corrections on H.B. No. 3461**

The purpose of this bill is to transfer the functions and authority of the Department of Health related to the provision of mental health services in state correctional facilities, to the Department of Public Safety.

Supportive testimony was submitted by the Department of Public Safety and the Department of Health.

Currently, the Department of Public Safety is dependent on the Judiciary and the Department of Health to provide adequate staffing to meet the mental health needs of the State's correctional inmates. While the Department of Health has been cooperative in recent years, your Committee acknowledges that one department cannot depend on another department to give priority to the staffing needs of the other department.

Furthermore, the Judiciary presently has no sub-organizational structure regarding mental health services to inmates. Because of this, Judiciary staff are responsible for providing forensic reports to courts and other outside agencies, while also treating correctional inmates. It appears that this creates a serious professional conflict that violates patient-health professional privacy when the reports are generated by mental health professionals who are also providing care and treatment to the correctional inmate.

The representative from the Department of Health also testified that the transfer of 21.5 positions to the Department of Public Safety would eliminate the difficulties the two departments have experienced in providing mental health services to inmates, and allow for a more effective integration of mental health programs in Hawaii's correctional facilities.

Your Committee has amended this bill by clarifying the statutory responsibilities of both the Department of Health and the Department of Public Services regarding the provision of mental health services to inmates of correctional facilities.

More specifically, your Committee:

- (1) Clarified that the transfer of a correctional inmate to the Hawaii State Hospital be dependent upon, among other things, a certificate of a psychiatrist employed by either the Department of Health, or the Department of Public Safety;
- (2) Clarified language pertaining to the functions of transferred employees, and the status of salary, seniority, prior service credit, vacation, sick leave, and other benefits earned by transferred employees;
- (3) Revised the effective date to July 1, 1994, to ensure that the transfer of employees occur on the start of fiscal year 1994-1995; and
- (4) Making technical, nonsubstantive revisions for the purposes of clarity, style, and conformity.

As affirmed by the record of votes of the members of your Committee on Public Safety and Corrections that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3461, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3461, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Amaral and White.

**SCRep. 423-94            Public Safety and Corrections on H.B. No. 3464**

The purpose of this bill is to expand the membership of the Correctional Industries Advisory Committee (Advisory Committee) from seven to nine.

Supportive testimony was submitted by the Department of Public Safety.

The Director of Public Safety testified that existing statutory requirements pertaining to membership of the Advisory Committee limit the range of expertise available to the Advisory Committee.

In light of this, your Committee believes that by increasing the membership to nine members, the Advisory Committee would receive broader input from the community regarding the Correctional Industries Program. It is the intent of your Committee that the additional members of the Advisory Committee have expertise in business--one in accounting, and the other in marketing.

Your Committee has amended this bill by making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Public Safety and Corrections that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3464, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3464, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Amaral.

**SCRep. 424-94            Public Safety and Corrections on H.B. No. 3465**

The purpose of this bill is to mitigate overcrowded conditions at state correctional facilities.

More specifically, this bill:

- (1) Expands membership of the Corrections Population Management Commission from eight to nine, and clarify that the new position be filled by the Adult Probation Administrator of the Judiciary;
- (2) Changes the statutory title of the Executive Secretary of the Corrections Population Management Commission to Executive Administrator;
- (3) Appropriates funds for capital improvement projects as follows:
  - (A) \$1,500,000 for design and construction of an eighty bed minimum security facility on the Island of Kauai;
  - (B) \$1,500,000 for construction of a one-hundred bed pre-trial housing facility on the Island of Hawaii; and
  - (C) \$2,000 for design and construction of a new one thousand bed correctional facility on the Island of Hawaii;

and

- (4) Appropriates \$87,323 for the establishment of two permanent social workers for adult parole supervision and counseling services.

Supportive testimony was submitted by the Department of Public Safety (DPS) and the Hawaii State Judiciary. Comments by the Department of the Prosecuting Attorney of the City and County of Honolulu were also submitted.

Your Committee finds that prison overcrowding is a problem that continues to grow. In a report issued in 1992, entitled, "Corrections 2000", DPS determined that Hawaii's existing correctional infrastructure presently holds over 2,700 inmates, a figure significantly more than its operating capacity of 2,526, and nearly double its design capacity of 1,566.

In addition, your Committee has learned that Hawaii's inmate population is projected to increase to over 3,600 in 1995, and over 4,300 by the year 2000.

The Director of Public Safety (Director) also testified that the appropriation for \$1,500,000 for construction of a one-hundred bed pre-trial housing facility on the island of Hawaii is needed to complete projects initiated pursuant to Section 127 of Act 289, Session Laws of Hawaii 1993.

The Director clarified that the \$2,000,000 appropriated in 1993 was used to obtain module cells for a pre-trial housing facility on the island of Hawaii. However, the appropriations did not include funds for the construction of a roof, barbed fencing, and other appurtenances necessary for the utilization of the cell modules.

In light of this, your Committee believes that this bill would rectify these problems, enhance the living conditions of inmates, and ensure the welfare and safety of the general public.

Technical, nonsubstantive amendments have been made for the purposes of clarity, style, and conformity.

As affirmed by the record of votes of the members of your Committee on Public Safety and Corrections that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3465, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3465, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Amaral.

**SCRep. 425-94                      Public Safety and Corrections on H.B. No. 3466**

The purpose of this bill is to increase the annual salary of the Chair of the Hawaii Paroling Authority to an amount comparable with the annual salary of the Chair of the Public Utilities Commission.

More specifically, this bill:

- (1) Clarifies that effective July 1, 1994, the annual salary of the Chair of the Hawaii Paroling Authority be set by the Governor within the range of \$72,886 to \$77,966; and
- (2) Appropriates \$24,745 for fiscal year 1994-1995, to be expended by the Department of Public Safety, to increase the salary of the Chair of the Hawaii Paroling Authority.

Supportive testimony was submitted by the Department of Public Safety.

The Director of Public Safety testified that the scope of responsibility and workload of the Chair of the Hawaii Paroling Authority is comparable to that of the Chair of the Public Utilities Commission.

In light of this, your Committee believes that this bill will ensure that the Hawaii Paroling Authority will retain officers that have provided outstanding leadership and accountability to the State in previous years, as well as continue to protect the interests and welfare of the general public.

Your Committee has amended this bill by clarifying that the expending agency be the Department of Public Safety, and making technical, nonsubstantive amendments for the purposes of clarity, style, and conformity.

As affirmed by the record of votes of the members of your Committee on Public Safety and Corrections that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3466, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3466, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Amaral.

**SCRep. 426-94                      Public Safety and Corrections on H.B. No. 3469**

The purpose of this bill is to provide the Department of Public Safety (DPS) with greater flexibility in the hiring of employees for the Correctional Industries Program.

More specifically, this bill:

- (1) Authorizes the Director of Public Safety (Director) to hire employees exempt from civil service laws for the Correctional Industries Program (Program); and
- (2) Clarifies that the foregoing provision shall not affect the earned benefits and privileges of tenured employees.

Supportive testimony was submitted by the Department of Public Safety.

The Director testified that the staffing requirements for the Program are unlike most other civil service positions. For example, employees are needed primarily for manufacturing and service operations. In addition, as with most other businesses, positions for the Correctional Industries Program must be filled promptly as needed to ensure that technical expertise for products and services are in concert with private sector employment.

In light of this, your Committee believes that this bill will provide the Director with the needed flexibility to facilitate the continued provision of high-quality products and services from the Program, while ensuring the safety of correctional inmates.

As affirmed by the record of votes of the members of your Committee on Public Safety and Corrections that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3469 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Amaral.

**SCRep. 427-94 Public Safety and Corrections on H.B. No. 3468**

The purpose of this bill is to provide the Department of Public Safety a means of generating resources for inmate programs.

More specifically, this bill:

- (1) Establishes the Correctional Program Revolving Fund (Fund), to be expended by the Director of Public Safety (Director), to offset the cost of providing care or programs for inmates;
- (2) Authorizes the Director to charge reasonable fees for persons participating in a correctional program, and providing the Director the discretionary authority to waive or reduce the fee if the Director finds that the participant is unable to pay the entire fee; and
- (3) Clarifies that collected program fees, donations, and any other legally accepted sources of income, be deposited into the Fund.

Supportive testimony was submitted by the Department of Public Safety (Department). Comments from the Office of the Public Defender (Public Defender) were also submitted.

The Director testified that the establishment of the Fund would ensure that the Department is able to provide meaningful programs and services to inmates, reduce the cost of incarceration, and assist inmates to make the difficult transition of returning to the community after release.

However, the Public Defender representative raised a concern that the bill, as received, contained no assurances that persons with optimum financial means would not be in a favored position in gaining eligibility for correctional programs. In addition, the Public Defender cautioned that language in Section 1 of the bill pertaining to the expenditure of Fund moneys, could conceivably be interpreted as placing the entire financial burden of "caring" for inmates on the Fund.

Members also questioned whether the bill, as received, would adequately make the Department accountable for moneys deposited and expended from the Fund.

In light of these concerns, your Committee has amended this bill as follows:

- (1) Prohibited the Director from denying access to a program because of a person's inability to pay a fee;
- (2) Eliminated language that would have allowed donations, and any other legally accepted source of income, to be deposited into the Fund;
- (3) Required the Director to submit an annual report on Fund deposits and expenditures to the Legislature, and provided that the Fund report may be included with the Department's Annual Report to the Legislature and the Governor; and
- (4) Made technical, nonsubstantive revisions for the purposes of clarity, style, and conformity.

As affirmed by the record of votes of the members of your Committee on Public Safety and Corrections that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3468, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3468, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Amaral.

**SCRep. 428-94 Legislative Management on H.B. No. 3290**

The purpose of this bill as received by your Committee is to reinforce the State's commitment for open, honest, and accountable government, thereby increasing the public's confidence in state government by enhancing the Hawaii State Ethics Commission's (Commission) enforcement process.

Specifically, this bill proposes to accomplish this by making public:

- (1) Any Charge, Further Statement of Alleged Violation, and the alleged violator's written response;
- (2) The Commission's hearings;
- (3) The Commission's decisions rendered after a hearing, together with the Commission's findings and the record of the proceedings;
- (4) Complaints issued by the Commission against legislators, state employees, or delegates to the Constitutional Convention;
- (5) Any disciplinary action taken by the Legislature, or the fact that no disciplinary action was taken against a legislator or employee who is removable only by impeachment;
- (6) Any disciplinary action taken by the Governor, or the fact that no disciplinary action was taken against a state employee, other than one who is removable only by impeachment;

- (7) Any disciplinary action taken by the Constitutional Convention, or the fact that no disciplinary action was taken against a delegate; and
- (8) Any disciplinary action taken by the Civil Service Commission or Authority, or the fact that no disciplinary action was taken with respect to a violation of the Code of Ethics.

Presently, the Commission's entire enforcement process is shrouded in too much secrecy. The law requires the Commission to investigate and prosecute charges of ethics violations on a confidential basis. Cases involving possible ethics violations may only be made public after the Commission has conducted a formal, administrative hearing and has determined that the ethics laws have in fact been violated. If the Commission resolves a case without going through a hearing or if the Commission conducts a hearing but does not find a violation of ethics laws, the case and the Commission's decision in the case remain confidential indefinitely.

Historically, the justification for such secrecy has been the desire to protect the reputation of government officials from unfounded ethics charges. However, your Committee believes that the secrecy surrounding the Commission's enforcement process fosters suspicion and may result in an erosion of public confidence in the ethics laws and in government.

This bill would amend the law to provide that the Commission's findings following the investigation of an ethics violation charge become public at an earlier stage in the compliance-review process, but only after the Commission determines that there is reason to believe that a violation has been committed. Under this bill, the records would become public only after the Commission has:

- (1) Issued a Charge and a Further Statement of Alleged Violation;
- (2) Afforded the respondent an opportunity to answer;
- (3) Determined that there is still reason to believe a violation has been committed; and
- (4) Decided to hold a hearing on the matter.

Your Committee, while in strong support of promoting ethics and public confidence in government, also discussed and emphasized the need to insure that the valued reputations of government officials are not unjustly damaged by unsubstantiated charges or any error in Ethics Commission action.

Testimony in support of this bill was submitted by:

- (1) The Hawaii State Ethics Commission;
- (2) Common Cause Hawaii; and
- (3) The League of Women Voters of Honolulu.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3290 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Say and Thielen.

**SCRep. 429-94 Human Services on H.B. No. 3396**

The purpose of this bill is to allow the Department of Human Services to release the identity and mailing address of foster parents to a foster parent association for association purposes only, provided that the foster parents consent to the release of this information.

Testimony from the Hawaii State Foster Parents Association and seventeen individuals was received in support of this measure; however, the testifiers wanted the releasing of the names to be optional.

The Department of Human Services submitted testimony stating that the department has been releasing the names and addresses of foster parents to the foster parent association. Therefore, they believe this amendment to the existing statute is unnecessary.

Upon further consideration, your Committee has amended this bill by stating that the release of the identity and mailing address of general licensed foster parents are to be given to the parent association for association purposes only. The identity for a relative caregiver or a foster parent licensed for specific children, however, are to be released only upon consent to the association. All foster parent names and addresses provided to the foster parent association are confidential and released only with the foster parent's consent.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3396, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3396, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Duldulao, Peters and Tanimoto.

**SCRep. 430-94 Human Services on H.B. No. 3158**

The purpose of this bill is to amend section 346-64.5 by deleting from subsection (a) the requirement that income eligibility standards for chore services include individuals who had been found eligible for medical assistance under the department's Medicaid program.

Testimony from the Department of Human Services and the Kokua Council for Senior Citizens was received in support for this measure.

Testimony from the State Planning Council on Developmental Disabilities was received in opposition to this measure. They felt this measure would affect those under the Medicaid program and those currently receiving chore services under the present statute by terminating services unless they are grandfathered in.

Upon further consideration, your Committee has amended this measure by establishing the income eligibility standard at the current Federal poverty level of 133%. The Committee does not want assistance to current recipients of chore services to be discontinued.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3158, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3158, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Duldulao, Peters and Tanimoto.

**SCRep. 431-94 Labor and Public Employment on H.B. No. 2510**

The purposes of this bill are to require the Department of Personnel Services to:

- (1) Review the duties of child welfare social services workers and reclassify and reprice all levels of child welfare social workers;
- (2) Reclassify child welfare social workers as "child welfare services advocates" after June 30, 1994;
- (3) Raise the pay of child welfare services advocates an unspecified percentage higher than the current pay of child welfare social workers; and
- (4) With the assistance of the Department of Human Services, determine the appropriate amounts of support services that should be provided to all levels of child welfare services advocates.

Your Committee received testimony in support of this bill from the Child Welfare Services State Advisory Council, the Child Welfare Services Advisory Committee to the Department of Human Services, the Friends of the Children's Advocacy Center of Oahu, Inc., Kapiolani Medical Center for Women and Children, the National Association of Social Workers, the Hawaii Government Employees' Association, the supervisor of the Home-Based Support Services Unit at the Department of Human Services, the Foster Home Certification Units I and II, and a social worker employed at Child Protective Services.

The Department of Human Services also submitted testimony in support of the bill, with additional comments on its implementation. The Department of Personnel Services submitted testimony in opposition to the bill, with suggestions for possible amendments.

After reviewing the testimony submitted, your Committee finds that child welfare services social workers provide services under stressful conditions and are in need of reclassification and repricing, which this bill will provide.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2510 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Alcon and Ward.

**SCRep. 432-94 Labor and Public Employment on H.B. No. 2703**

The purpose of this bill is to remove the sunset provisions of the classification/compensation appeals board and authority of the Board of Education to classify all educational officer positions of the Department of Education.

Testimony in support of this bill was received from the Department of Education, the Hawaii Government Employees Association, and the Department of Education Elementary Principals.

Your Committee finds that repeal of the sunset provision will restore the educational officers' rights to due process in appealing the Department of Education's actions on classification and repricing matters.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2703 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Alcon.

**SCRep. 433-94 Labor and Public Employment on H.B. No. 3463**

The purpose of this bill is to transfer four full-time security guards at the National Guard and State Civil Defense facilities in the Diamond Head complex from the State Department of Defense to the Department of Public Safety.

Testimony in support of this bill was received from the State Department of Defense and the Department of Public Safety.

Your Committee finds that Act 211, Session Laws of Hawaii 1989, required the Director of Public Safety to report recommendations to the Legislature regarding the transfer of other public safety functions and employees from other departments. The report identified after-hours security for the National Guard and State Civil Defense facilities as public safety functions.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3463 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Alcon and Taniguchi.

**SCRep. 434-94 Labor and Public Employment on H.B. No. 3083**

The purpose of this bill is to grant the Labor and Industrial Relations Appeal Board statutory authority to hire attorneys to enable the Board to fulfill its responsibilities. This bill also mandates fines of not more than \$100 for each violation of a lawful rule of the Board, including rules relating to administrative hearing procedures.

Your Committee received testimony in support of this bill from the Labor and Industrial Relations Appeal Board and the Hawaii Nurses' Association. The ILWU local 142 and a private attorney testified in support of the grant of authority to hire other attorneys, but were opposed to the imposition of fines for violations of Board rules.

The Chamber of Commerce testified in opposition to the penalty provision of this bill.

Your Committee finds that the Board has hired attorneys to assist in drafting decisions and legal documents and to provide other necessary legal services. This bill codifies the actual practice of the Board.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3083 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Alcon and Ward.

**SCRep. 435-94 Labor and Public Employment on H.B. No. 3441**

The purpose of this bill is to facilitate the efforts of the Adult Mental Health Division of the Department of Health in achieving national accreditation of the Hawaii State Hospital by the Joint Commission on Accreditation of Healthcare Organizations, a status that will demonstrate adherence to national health-care standards of high-quality inpatient care, and will enable the State to successfully terminate the Settlement Agreement with the United States Department of Justice.

This bill proposes to accomplish this by exempting key positions from the provisions of chapters 76 and 77 (the Civil Service Law and the Compensation Law respectively), which would enable the Department of Health to attract and recruit highly skilled and experienced individuals into these positions.

The obtaining and retention of national accreditation requires personnel with highly specialized and extensive experience in various critical areas of the hospital's operation. These positions have continued to be difficult to recruit for and hard to fill in light of the State's salary schedule. Nationally, salaries for these positions vastly exceed current State salary schedules, on average, by approximately twenty per cent.

This bill would work towards these ends without jeopardizing individuals who are currently in the identified positions as civil service employees.

Testimony in support of this measure was submitted by the Department of Health and the Hawaii Medical Association.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3441, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Alcon.

**SCRep. 436-94 Labor and Public Employment on H.B. No. 3086**

The purpose of this bill is to appropriate funds for salary adjustments made by the Department of Education to finalize a classification review of the educational officer classification.

Testimony in support of this bill was received from the Department of Education (DOE) and the Hawaii Government Employees Association (HGEA).

Your Committee finds that providing classification and pricing changes for elementary school principal and vice-principal positions is the second phase of a two phase plan jointly developed between the DOE and HGEA. Increasing the salary ranges of those positions will lessen the gap in pricing relationships between secondary vice-principals and secondary principals, and maintain the current pricing relationship between elementary principals and elementary vice-principals.

Your Committee has amended this bill by appropriating the sum of \$1 to further discussion.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3086, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3086, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Alcon.

**SCRep. 437-94 Labor and Public Employment on H.B. No. 3593**

The purpose of this bill is to extend the limitations period in which to seek injunctive relief or damages under the Whistleblowers' Protection Act from ninety days to one hundred eighty days. It also increases the maximum civil fine for violations of the Act from \$500 to \$10,000.

Your Committee received testimony in support of the extension of the limitations period from the ILWU local 142, the United Public Workers, Common Cause Hawaii, and private citizens.

The Chamber of Commerce of Hawaii testified in opposition to this bill. In addition, the United Public Workers testified in opposition to the increase in the civil fines for violations of the Whistleblowers' Protection Act.

Your Committee has amended this bill to extend the limitations period to one year, and to increase the civil fines from not less than \$5,000. The maximum civil fine remains at \$10,000.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3593, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3593, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Alcon.

**SCRep. 438-94 Labor and Public Employment on H.B. No. 3459**

The purpose of this bill is to enhance the State's ability to provide quality health care at an affordable cost by transferring the Department of Health's employees in the State Health Insurance Program (SHIP) into the State's Health QUEST program in the Department of Human Services.

Specifically, this bill would provide employment security to SHIP staff by ensuring that they have a position with the Health QUEST program if they so desire; provided that they meet the minimum qualifications for the positions to which they are appointed.

Although Hawaii has been in the nation's forefront in providing access to health care, even with the State's success, there remains the question of how to provide quality health care at an affordable cost. Through Hawaii Health QUEST, the State hopes to answer this question with the creation of a large purchasing pool consisting of individuals eligible for the current SHIP, General Assistance, and Aid to Families with Dependant Children programs, and utilizing a managed care plan paid for at fully capitated rates.

The provisions in this bill will facilitate a smooth transition of the SHIP enrollees as well as the staff to the Hawaii Health QUEST program.

Testimony in support of the intent of this measure was submitted by the Department of Health and the Department of Human Services.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3459, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Alcon.

**SCRep. 439-94 Housing on H.B. No. 2913**

The purpose of the bill is to allow requests for amendments to plans and zoning maps to be processed concurrently with any request to the State Land Use Commission for redesignation of lands which would permit the development of the same housing project.

This bill was originally intended to streamline the process to receive approvals for the development of affordable housing. The process can currently take up to seven years. However, the current language in HB2913 HD1 mandates that the county must process concurrently all development projects. In addition, it does not specify that projects which are streamlined must include a component of affordable housing.

Therefore, your Committee has amended the bill to include language which gives the county the option of not accepting a project for processing. Language was also added to specify that a housing project which is processed concurrently shall have an affordable housing component.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2913, H.D. 1, as amended herein, and recommends and be referred to the Committee on Water and Land Use Planning in the form attached hereto as H.B. No. 2913, H.D. 2.

Signed by all members of the Committee except Representatives Kawakami, Peters and Tanimoto.

**SCRep. 440-94 Hawaiian Affairs and Education on H.B. No. 3284**

The purpose of this bill is to appropriate \$176,368 to the Department of Education for the following purposes:

- (1) Expansion of the Hawaiian language immersion program at the six area school where the program is now in existence.
- (2) To establish the Hawaiian language immersion program at:
  - (a) Waianae elementary school; and
  - (b) Kekaha school.

As a direct result of the overthrow of the last Hawaiian Monarch, Queen Liliuokalani, the Hawaiian language was banned in Hawaii's schools. This was one of the many methods of oppression used by the illegal provisional government to suppress the native Hawaiian population.

The early 1970's saw the beginning of a "Hawaiian Renaissance", this rebirth of Hawaiian culture encouraged Hawaiians to be proud of being Hawaiian. Also at this time colleges began to offer courses in Hawaiian history, knowledge, and practice, Hawaiians themselves, began to desire to study their own native Hawaiian language as well.

As a direct result of the "Hawaiian Renaissance" which unfolded throughout the early 1970's, the 1978 Constitutional Convention required Hawaiian language programs to be instituted in schools throughout the State. Initially, funding of the Hawaiian language program was appropriated by Big Island communities only; other neighboring islands failed to follow this example of leadership.

Section 4, Articles X and XV of the Hawai'i State Constitution, proclaims the Hawaiian language as one of the official languages of the State. The aforementioned Constitutional provisions, HRS Sec. 298-2(b), and the Native American Languages Act, 25 USC 2901, provide legislative mandate and legal justification for the State of Hawaii to appropriate funds to further the intent and goals of the Hawaiian Language Immersion Programs. Due to the quantitative participation by the Big Island community, the Legislature funded the program via the General Appropriations Act 216 of 1987. Funding for the program has been allocated through the General Appropriation Acts from 1987 to date.

Testimony on behalf of this bill was presented by the Office of Hawaiian Affairs, the Department of Education, 'Ahahui 'Olelo Hawai'i, Na Leo Kako'o o O'ahu, Inc., the Waianae Coast School Concerns Coalition and other concerned citizens.

Your Committees have amended this bill by deleting the request for \$176,368 and in its place has added the sum of \$1. In addition to the amendment, but not to be considered as an amendment to this bill, your Committees have encouraged the Department of Education and the Department of Hawaiian Affairs to engage in dialogue and come to a conclusive agreement as to how both departments can work in conjunction to further the intent of this bill.

As affirmed by the record of votes of the members of your Committees on Hawaiian Affairs and Education that is attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 3284, as amended herein, and recommend that it pass Second Reading and be referred to the Committee on Finance, in the form attached hereto as H.B. No. 3284, H.D. 1.

Signed by all members of the Committees except Representatives Duldulao, Hagino, M. Ige, Ihara, Lee, Taniguchi, Yonamine and Tanimoto.

**SCRep. 441-94 Hawaiian Affairs on H.B. No. 3446**

The purpose of this bill is to reaffirm and protect rights of native Hawaiians, customarily and traditionally exercised for subsistence, cultural, and religious purposes, by designating native Hawaiian subsistence fishing areas and a process to assure proper management of resources.

Specifically, this bill would:

- (1) Authorize the Department of Land and Natural Resources (Department) to designate native Hawaiian subsistence fishing areas;
- (2) Require that proposals requesting the establishment of native Hawaiian subsistence fishing areas shall include:
  - (a) A description of the location and its boundaries;
  - (b) Justification for designating the proposed location; and
  - (c) A management plan that contains a description of the specific activities to be conducted;
 and
- (3) Require that proposals meet native Hawaiian subsistence needs and judicious fishery conservation and management practices.

In recent years, the interaction of deep water fishing practices, environmental impacts, and even international fishing covenants have impacted the traditional fishing practices of native Hawaiians. These activities have contributed to the depletion of the ocean resources that native Hawaiians have traditionally depended on for subsistence. Your Committee believes that this bill would provide a mechanism to ensure that subsistence fishing areas continue to be available for use by native Hawaiians.

Testimony in support of the intent of this measure was submitted by:

- (1) The Department of Land and Natural Resources;
- (2) The Department of Hawaiian Home Lands;
- (3) The Office of Hawaiian Affairs;
- (4) The Aboriginal Native Hawaiian Association;
- (5) Na Koa Ikaika; and
- (6) Private citizens, including three native Hawaiians from Molokai.

After free and open discussion, your Committee has amended this bill by:

- (1) Establishing a subsistence fishing pilot demonstration project for the fisheries adjacent to the coastline bounded by Nihoa Flats on the east to Ilio Point on the west on the island of Molokai;
- (2) Designating Hui Malama O Moomomi to serve as the steward for the subsistence fishing area;
- (3) Requiring rules to be promulgated by June 30, 1995;
- (4) Requiring the Department to submit a status report to the Legislature prior to the convening of the Regular Session of 1997; and
- (5) Making technical, nonsubstantive revisions for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3446, as amended herein, and recommends that it be referred to the Committee on Judiciary, in the form attached hereto as H.B. No. 3446, H.D. 1.

Signed by all members of the Committee except Representatives Lee and Tanimoto.

**SCRep. 442-94 Hawaiian Affairs on H.B. No. 3113**

The purposes of this bill are to:

- (1) Enable a means of arbitration to aid individuals with an interest or presumed interest in homestead lands in determining their genealogy for purposes of establishing their legal claim to the land;
- (2) Allow homestead lessees to buy their leases for \$1 (rather than for the fair market value of the land as determined by appraisal), provided the lessee has reduced to cultivation twenty-five percent of the premises and has resided on the premises not less than two years and has substantially performed all other conditions of the lessee's lease; and
- (3) Repeal the following subsections under Section 171-99, Hawaii Revised Statutes (HRS):
  - (a) Subsection (c), relating to cash freeholds, agreement, patent, conditions;

- (b) Subsection (d), relating to right of purchase lease, termination, forfeiture, or surrender; and
- (c) Subsection (h), relating to forfeiture; cash freeholds.

The Office of Hawaiian Affairs (OHA) testified in support of the intent of the bill, but indicated its concern with the lack of funding and the "premature proposal" regarding the purchase of 999-year homestead lands. Given certain reservations to the bill, OHA recommended that the bill be deferred to at least the 1995 legislative session. Testimony in support of the bill was received from two lessees. Ka Lahui Hawaii, Ka Lahui Hawaii Political Action Committee, and the Honolulu District of Ka Lahui Hawaii opposed this bill. Other interested persons also submitted written comments on the bill.

Your Committee recognizes that while homesteaders do not pay rent for their property, the terms of their lease prevent them from transferring, assigning, or mortgaging any interest in the lands, its improvements, or crops. As a result, lessees are unable to use their leasehold as collateral for repair or construction.

Upon deliberation, your Committee has amended the bill by:

- (1) Changing the title of the Genealogy Arbitration Program to the Determination of Successor Arbitration Program;
- (2) Inserting a new subsection (c) which requires any moneys or properties derived from the sale of the premises of the homestead subsequently sold by the owner shall revert to the general fund;
- (3) Appropriating funds to be expended by OHA to fund the Determination of Successor Arbitration Program;
- (4) Retaining subsections (c), (d), and (h) of Section 171-99, HRS; and
- (5) Making technical, nonsubstantive amendments for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3113, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3113, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives D. Ige and Tanimoto.

**SCRep. 443-94 Hawaiian Affairs on H.B. No. 2672**

The purpose of this bill is to provide more time for the court-appointed independent representative, as the sole representative of Hawaiian Home Lands beneficiaries, to participate in non-judicial proceedings to resolve claims against the State for breaches of the Hawaiian Home Lands Trust. This bill amends Act 352, Session Laws of Hawaii 1993, by:

- (1) Deleting references to a December 1, 1994, deadline for the independent representative to participate in pending non-judicial proceedings; and
- (2) Appropriating \$200,000 for paying the independent representative and for any additional services during fiscal year 1994-1995.

Your Committee received testimony in opposition to this bill from the Department of Hawaiian Home Lands, the Office of State Planning, Ka Lahui Hawaii Political Action Committee, and the Hawaii Green Party-Oahu. Your Committee received testimony in support of this bill from the Native Hawaiian Legal Corporation, Ka Lahui Hawaii, and a concerned citizen.

Your Committee has expressed sensitivity to the Hawaiian people's concern over being kept abreast of the issues surrounding the Hawaiian Home Lands Trust. Therefore, your Committee has amended the bill in order to assure continuation of a program initiated by the Legislature in 1988 to rectify wrongs in the management of the Hawaiian Home Lands Trust and the public land trust.

Your Committee has also amended the bill by:

- (1) Adding to Section 1, two additional purposes of Act 352. The additional purposes are to:
  - (A) Confirm the State's continued commitment of resolving claims against it and the Federal government with respect to the Hawaiian Home Lands Trust; and
  - (B) Consider steps to be taken to expedite the resolution of claims against the State;
- (2) Adding as Section 3, a provision setting forth the legal issues for which, if presented at an impasse, the independent representative or a member of the task force may apply to the circuit court for a determination and the procedures to follow thereafter; and
- (3) Adding as Sections 4 and 5, appropriations provisions for:

- (A) Assisting the state task force in preparing the remaining claims package for submission to the Legislature in 1995; and
- (B) Continuing the pursuit of Hawaiian Home Lands Trust claims against the Federal government; and
- (4) Making technical, nonsubstantive revisions for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2672, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2672, H.D. 2, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Lee and Tanimoto.

**SCRep. 444-94 Health on H.B. No. 3240**

The purpose of this bill, as received by your Committee on Health, is to clarify that the Department of Health shall provide health-related services to children who:

- (1) Require special education; and
- (2) Have been identified as needing health-related services to benefit from special education.

H.B. 3240 was introduced as a short form bill, which is sometimes referred to as a "vehicle" bill, and is used primarily to introduce a bill containing only a general idea of the purpose of the bill, without specific details in long form. Your Committee had amended this bill to provide the substantive contents of the bill in long form so that a public hearing could be properly held on its substantive contents. Therefore, your Committee passed this "short form" bill, as amended, as HB 3240 HD1.

Upon public hearing of HB 3240 HD1, the Department of Health and the Department of Education supported the intent of this bill feeling that the one element of critical importance, that of accountability, was clearly addressed by this bill.

Your Committee notes that this bill will ensure the provision of related services such as occupational therapy, physical therapy, and psychological services to children with special needs in Department of Education schools. It was further understood that the delivery of necessary related services is vital for these children to succeed in school and in life.

Moreover, your Committee realizes that no one department can provide all the necessary services to these youths and that the coordination and cooperation between the Department of Health and the Department of Education is necessary for the successful provision of services.

However, it was understood that although this bill will delineate between the responsibilities of the Department of Health and the Department of Education, fragmentation of services will still exist. It was the wish of your Committee to eliminate this fragmentation. Therefore, a recommendation was made to create an interdepartmental organization to facilitate access to services provided by the State for children with multiple needs and to improve coordination of placement and services between departments and agencies. Since a funding mechanism was also needed for this project, a recommendation of setup of a fund for the purpose of funding services and programs was also suggested.

Accordingly, your Committee has amended this bill by deleting the contents of HB 3240 HD1 and adding the contents of HB 264, which facilitates access to services provided by the State for children with multiple needs and to improve the coordination of placement and services among agencies and departments for children with severe emotional, behavioral, and developmental problems

Further amendments were made to HB3240 by amending language contained in HB 264 which included:

- (1) Adding language which coordinated services between the agencies and departments;
- (2) Including language that establishes Interdepartmental Case Assessment and Management (ICAM) teams within the Office of State Planning rather than in the Office of Children and Youth;
- (3) Deleting some specified representatives of the ICAM team;
- (4) Adding language that specified family court, the Department of Health, the Department of Human Services, and the Department of Education as having the authority to refer a child for interdepartmental assessment or management;
- (5) Adding language that stipulated who should notify the child and child's parents regarding the referral to the ICAM team;
- (6) Adding language that sets up a ICAM special fund for the purpose of funding services and programs for needed services identified by the ICAM and inserting language which stipulates where these monies will come from and what will be done with unexpended monies;
- (7) Appropriating the sum of \$1 for the purposes of further discussion; and

- (8) Making other technical amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3240, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3240, H.D. 2, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Tanimoto.

**SCRep. 445-94 Health on H.B. No. 3481**

The purpose of the bill is to establish a Hawaii Wellness Industry Commission to advise and assist the Governor and Legislature on matters related to the development of a wellness industry in the State, including the preparation of a strategic plan.

The bill was supported by the Department of Business, Economic Development, and Tourism, the Department of Health, the Hawaii Wellness Foundation, the Association for Interactive Multimedia Hawaii, and two private individuals.

Testimony indicated the substantial potential for using resources already existing in Hawaii to develop a wellness industry through the coordination of these resources through a strategic plan, the provision of market data and assistance to the private sector, as well as business and supplier networks and business attraction support. The bill proposes a facilitating and supportive role for government rather than a direct provider of wellness services, which would be provided by the private sector.

A wellness industry would provide opportunities to expand Hawaii's visitor industry, to create business opportunities for local providers of services and products, and to improve the quality of life in Hawaii through various approaches to wellness. Furthermore, Hawaii's location in the Pacific presents a unique opportunity to mesh Western medicine with various Asian approaches to wellness.

Upon questioning by the Committee, the Department of Business, Economic Development, and Tourism agreed that the concept of a wellness industry would be enhanced by incorporating an orientation toward those with disabilities.

Upon further consideration, your Committee has amended the bill by:

- (1) Removing the substantive provisions of the bill from Hawaii Revised Statutes and instead retaining inclusion in Session Laws of Hawaii only, since the commission is only temporary;
- (2) Making a reference to disability-related services in the findings and purpose section;
- (3) Including disability-related organizations to the groups that develop the strategic plan;
- (4) Adding disability-related professionals as members of the Hawaii Wellness Industry Commission;
- (5) Inserting the sum of \$1 as the appropriation amount for purposes of continuing discussion on the bill; and
- (6) Making technical, nonsubstantive amendments for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3481, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 3481, H.D. 2.

Signed by all members of the Committee except Representatives Arakaki, Kawakami and Tanimoto.

**SCRep. 446-94 Health on H.B. No. 3618**

The purpose of the bill is to exempt from liability for civil damages physicians who provide medical services to the medically indigent, except in cases of gross negligence or wanton acts or omissions.

Your Committee received testimony in support of the bill from the Aloha Medical Mission, Care-A-Van, the Retired Physicians Committee, the Hawaii Medical Association, and Kokua Council for Senior Citizens.

The testimony indicated that physicians are reluctant to volunteer their services to the medically indigent because of the fear of litigation. The Retired Physicians Committee stated that between two-hundred and three-hundred additional physicians can be expected to volunteer if this liability issue is resolved.

Upon close examination of the bill, your Committee made a technical, nonsubstantive amendment for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3618, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3618, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Arakaki, Kawakami and Tanimoto.

**SCRep. 447-94 Education on H.B. No. 598**

The purpose of this bill is to allow the student member of the Board of Education to vote by amending Article 10, Section 2 of the Hawaii Constitution.

Numerous pieces of testimony were submitted in favor of this bill by public and private school students from around the State.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 598 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Apo, Hagino, M. Ige, Lee, Taniguchi, Yonamine and Tanimoto.

**SCRep. 448-94 Education on H.B. No. 3667**

The purpose of this bill is to establish within the Department of Education, in collaboration with the Department of Health and the Department of Human Services, a community-based pilot project for pregnant and parenting teens, and teens at high risk for pregnancy.

Testimony in support of this measure was submitted by numerous groups including the Department of Education, Department of Health, Department of Human Services, and the Commission on the Status of Women, as well as by a teenager currently involved in the project.

Testifiers were concerned that the appropriation section of this bill was deleted in the previous House draft. There was also concern on behalf of your Committee members that the bill specifically mentions two Oahu schools at which the project will occur.

Your Committee has amended this bill by:

- (1) Reinserting an appropriation section with an amount of \$1;
- (2) Deleting any reference to specific schools at which the project may occur;
- (3) Requesting the Legislative Auditor to review the progress of the project and report its findings to the Legislature no later than twenty days prior to the convening of the 1998 Regular Session; and
- (4) Making technical, non-substantive amendments for the purposes of clarity and style.

Your Committee hopes that an examination of a reassignment of revenues through Project Ke Au Hou to fund this project will be explored by the Department of Education.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3667, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 3667, H.D. 2.

Signed by all members of the Committee except Representatives Hagino, M. Ige, Lee, Taniguchi, Yonamine and Tanimoto.

**SCRep. 449-94 Economic Development and Business Concerns on H.B. No. 3423**

The purpose of this bill is to authorize the Hawaii Community Development Authority (HCDA) to schedule construction work on district improvements during off-hours. This bill also authorizes HCDA to acquire properties within the community development district to exempt those properties from real property taxes.

Testimony in support of this bill was received from the HCDA and the Kakaako Improvement Association, Inc.

Your Committee finds that the HCDA improvement district projects have involved massive reconstruction of major infrastructure systems. These projects are undertaken where many businesses operate and lead to severe, adverse effects on those businesses during the construction period.

Further, your Committee finds that authorizing night work may reduce the actual construction time of the improvement district projects. However, input from the residential community was not received.

Accordingly, your Committee has amended this bill by:

- (1) Redefining "off-hour" as six o'clock p.m. to nine o'clock p.m.;
- (2) Authorizing construction work on weekends; and
- (3) Making technical, non-substantive amendments for the purpose of style and clarity.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3423, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3423, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Morihara.  
(Representative M. Ige voted no.)

**SCRep. 450-94 Labor and Public Employment and Consumer Protection and Commerce on H.B. No. 2996**

The purpose of this bill as received is to create a Governor's Task Force on Workers' Compensation, which shall perform a study and report on the state workers' compensation program. The purpose of the task force is to review the entire spectrum of issues related to workers' compensation, including the:

- (1) Laws and rules;
- (2) Benefits;
- (3) Impact on businesses;
- (4) Role of medical providers;
- (5) Role of the legal profession;
- (6) Shortfalls in the system from both the workers' and management views; and
- (7) Opportunities for waste, fraud, and abuse.

Testimony in support of this bill was submitted by the Department of Commerce and Consumer Affairs, the Department of Labor and Industrial Relations, the National Federation of Independent Business, the Department of Personnel Services for the City and County of Honolulu, the Building Industry Association of Hawaii, the Hawaii Business League, the Hawaii Medical Association, the Managed Health Care Network, the Hawaii Academy of Plaintiffs' Attorneys, the Hawaii State Bar Association Legislation Committee, and private citizens.

Testimony supporting the intent of the bill with suggested amendments was presented by the Hawaii Insurers Council, the Hawaii State Chiropractic Association, and the Pro Active Workers' Task Group.

Testimony in opposition to this bill was presented by ILWU Local 142, the Hawaii Nurses' Association, and the Hawaiian Society of Naturopathic Physicians.

Your Committees find that, as currently structured, the task force established in this bill is too cumbersome to perform its function in the allotted time, and that the task force, being dissolved ninety days after the submission of its final report, would be unable to further direct the path of workers' compensation reform.

Accordingly, your Committees have amended this bill by changing the task force to a seven-member advisory commission, which will meet for six months every three years and report to the following legislative session. The task force shall:

- (A) Devise an action plan to ensure the right of the worker to just and timely compensation;
- (B) Determine the causes of the premium cost increases in workers' compensation, including health care and legal costs;
- (C) Review the entire workers' compensation process and monitor and assess its implementation;
- (D) Examine the roles of the various organizations and individuals involved with workers' compensation including:
  - (i) The insurance industry;
  - (ii) Unions;
  - (iii) Physicians and other health care providers;
  - (iv) Attorneys;
  - (v) Self-insured companies; and
  - (vi) The Department of Personnel Services;
- (E) Study long-range issues and solutions, including:
  - (i) Health care plan policies;
  - (ii) Medical fee schedules; and

- (iii) Impacts of proposed federal legislation; and
- (F) Conduct forums with affected organizations and individuals to obtain information and facilitate communication among these organizations and individuals.

As affirmed by the records of votes of the members of your Committees on Labor and Public Employment and Consumer Protection and Commerce that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2996, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2996, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Hiraki, Ishii-Morikami, Menor, Tom and Thielen.

**SCRep. 451-94 Labor and Public Employment on H.B. No. 3325**

The purpose of this bill is to implement statutory exemptions relating to personnel that were identified during the autonomy pilot program as impediments to autonomous operation. This bill exempts the Maui Memorial Hospital, the Hilo Hospital, the Kona Hospital, and the Division of Community Hospitals from the prohibition on expending public funds to employ attorneys for the purpose of representing the State or department, or drafting legal documents for the department.

Your Committee received testimony in support of this bill from the Department of Health and the Statewide Public Health Facilities Management Advisory Committee.

Your Committee finds that the entire Community Hospital system is currently served by only two positions within the Attorney General's office. Further, routine legal issues arising on the neighbor islands are difficult for the attorneys located on Oahu to respond to. Your Committee believes that this bill will increase administrative efficiency.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3325, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Alcon.

**SCRep. 452-94 Labor and Public Employment on H.B. No. 3532**

The purpose of this bill is to provide for a comprehensive review of state agency operations by establishing an audit panel and team to conduct a performance audit of every state agency, under the guidance of the Legislative Auditor.

Your Committee received testimony on the bill from the Office of the Legislative Auditor and the Department of Education (DOE). Both agencies expressed support for the intent of the bill, but concern over its practical application. In particular, the Auditor and the DOE noted that taking agency staff away from their regular duties to assist in the audits might have an adverse impact on agency operations.

Your Committee finds that conducting performance audits at state agencies may save the state significant amounts of money in the long run. After considering the testimony presented by state agencies, your Committee has amended the bill by:

- (1) Deleting the provisions in the purpose clause of the bill relating to the comprehensive audit conducted in the State of Texas;
- (2) Specifying that the first year of the performance audit program is a pilot project limited only to the Department of Human Services; the Department of Agriculture; the Department of Business, Economic Development, and Tourism; and the Department of Health;
- (3) Deleting provisions relating to the establishment of an audit team, and making the Legislative Auditor responsible for conducting the performance audits;
- (4) Clarifying that the Legislative Auditor shall report back to the Legislature and the Governor with results from the pilot project not less than twenty days prior to the convening of the Regular Session of 1996, and shall report to the Legislature and the Governor on subsequent performance audits not less than twenty days prior to the convening of each Regular Session beginning in 1997 and ending in 2000;
- (5) Appropriating \$75,000 to the Office of the Auditor to carry out the provisions of this bill; and
- (6) Specifying that the bill takes effect upon approval, and is repealed on June 30, 2000.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3532, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3532, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Alcon and Ward.

**SCRep. 453-94 Consumer Protection and Commerce and Judiciary on H.B. No. 172**

The purpose of this bill is to reduce the number of uninsured motor vehicles in the State by establishing mechanisms to enhance the enforcement of the No-Fault Law.

More specifically, this bill would:

- (1) Require the Department of Finance of the City and County of Honolulu to establish an on-line computer network and data base (data base) for motor vehicle insurance, and make the data base available to all County Directors of Finance and Police Departments;
- (2) Require all insurers to:
  - (A) Input the vehicle identification number, the no-fault insurance policy number, and the name of the insurer into the data base within two days of commencement of coverage; and
  - (B) Delete the aforementioned information within two days of cancellation of the policy;
- (3) Require the County Directors of Finance to verify whether a motor vehicle is insured with a current no-fault policy prior to the registration, renewal of registration, or transfer of registration;
- (4) Prohibit the County Directors of Finance from issuing a certificate of registration, renewal of registration, or transfer of registration if the Directors are unable to verify the vehicle's no-fault policy from the data base for motor vehicle insurance;
- (5) Authorize the expenditure of \$1,000,000 of the Intermodal Service Transportation Efficiency Act of 1991, 23 U.S.C. Section 402, for fiscal year 1996-1997, provided that funds are derived from penalties stipulated by 23 U.S.C. Section 153(h); and
- (6) Clarify that the provisions of this bill take effect on October 1, 1996.

Supportive testimony was submitted by the Department of Finance of the City and County of Honolulu. Comments were submitted by the Insurance Commissioner, State Farm Insurance Companies, the Hawaii Independent Insurance Agents Association, the Hawaii Insurers Council, and the Hawaii Academy of Plaintiffs' Attorneys.

By way of background, in 1992, the Legislature approved S.B. No. 2306, S.D. 1, H.D. 1, which, among other things, directed the Department of Finance of the City and County of Honolulu to establish an on-line computer network and data base for the identification of uninsured motorists throughout the State.

However, the Governor vetoed the bill for the following reasons:

- (1) The bill would have imposed new duties and requirements on the City and County of Honolulu but made no appropriation for that purpose--a violation of Section 5 of Article VIII of the State Constitution, which requires that the State share in the cost of new programs imposed on any political subdivision; and
- (2) The bill also would have imposed potential liability on an insurer even after the cancellation or non-renewal of a no-fault policy by providing that insurers would be responsible for updating the data base within thirty days of the cancellation or non-renewal of any policy, and that a vehicle would be considered insured by the insurer until the data is revised.

Concerns were raised on this bill, as received, as to whether the provision of federal moneys would satisfy the State's obligation to fund state-mandated county programs.

The Insurance Commissioner testified that it would.

Moreover, your Committees acknowledge that the language that resulted in the Governor's concern on insurer liability does not appear in this bill, as received.

In light of this, your Committees believe that this bill, as received, satisfies the Governor's foregoing concerns. However, your Committees have amended this bill by making technical, nonsubstantive amendments for purposes of clarity, style, and conformity.

As affirmed by the records of votes of the members of your Committees on Consumer Protection and Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 172, H.D. 1, as amended herein, and recommend and that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 172, H.D. 2

Signed by all members of the Committees except Representatives Cachola, Hirono, Menor, Oshiro, Peters and Thielen.

The purpose of this bill is to strengthen the regulatory authority of the Public Utilities Commission (PUC) pertaining to motor carriers.

More specifically, this bill:

- (1) Raises civil penalties for violations of Chapter 271, Hawaii Revised Statutes (HRS), the Motor Carrier Law, as follows:
  - (A) From \$100 to a sum up to \$1,000 for each offense of noncompliance; and
  - (B) From a sum not to exceed \$50 to a sum not less than \$50 and not more than \$500 for each additional day of a continuing violation;
- (2) Authorizes the PUC to publish in a newspaper of general circulation, the following information:
  - (A) The name of any person who violates any provision, rule, requirement, or order issued pursuant to the Motor Carrier Law;
  - (B) Any term or condition of any certificate or permit issued pursuant to the Motor Carrier Law; and
  - (C) The nature and circumstances of the violation;
- (3) Provides the PUC with immunity from suit in any civil defamation action resulting from the foregoing publication, except where publication of the name and alleged violation of a person who has not committed the alleged violation is done intentionally or knowingly; and
- (4) Makes various housekeeping amendments to Section 271-27, HRS, for the purposes of clarity, style, and conformity.

Supportive testimony was submitted by the Public Utilities Commission, and the Hawaii Transportation Association.

The PUC representative testified that although the fines for other public utility violations were increased in 1988, statutory fines for violations of the Motor Carrier Law have not been revised since 1969.

Furthermore, the PUC representative added that higher penalties and the publication of the names of violators will definitely act as deterrents to noncompliance with the Motor Carrier Law.

However, the PUC representative informed your Committee that the repeal of references to "regulations" from Section 271-27, HRS, may be premature since the PUC's General Order No. 4, which pertains to motor carriers, still refers to regulations. The PUC anticipates completing the conversion of its motor carrier rules and regulations into Hawaii Administrative Rules by the end of this year.

In light of this, your Committee has amended this bill by reinserting all references to "regulations", and making technical, nonsubstantive revisions for the purposes of clarity, style, and conformity.

As affirmed by the records of votes of the members of your Committees on Consumer Protection and Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2829, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2829, H.D. 2.

Signed by all members of the Committee except Representatives Cachola, Hirono, Menor, Oshiro, Peters and Thielen.

**SCRep. 455-94 Consumer Protection and Commerce and Judiciary on H.B. No. 3428**

The purpose of this bill is to enhance the administration of the Insurance Code.

More specifically, this bill:

- (1) Clarifies that if the Insurance Commissioner suspends, revokes, or refuses to extend a license pending an administrative hearing, the Insurance Commissioner must hold the hearing within thirty days after the Commissioner's receipt of the application for an administrative hearing (Section 1);
- (2) Provides that insurers that fail or refuse to submit their annual filings be liable to a penalty of not less than \$100 and not more than \$500 for each day of delinquency (Sections 2 and 3);
- (3) Increases filing fees for insurance contracts issued in accordance with Article 10, Chapter 431, HRS, from \$20 to \$50 (Sections 4 and 5);
- (4) Increases the filing fee for accident and sickness policies issued in accordance with Article 10A, Chapter 431, HRS, from \$20 to \$50 (Section 6);
- (5) Authorizes the Insurance Commissioner to establish positions exempt from civil service laws, and provides that these positions be paid through the no-fault administration revolving fund (Section 7);

- (6) Changes mandatory coverages for motorcycles and motor scooter policies as follows:
  - (A) Liability coverage from \$35,000 to \$25,000; and
  - (B) Medical payment coverage from \$15,000 to \$20,000 (Section 8);
- (7) Requires insurers or rating organizations submitting workers compensation filings or lost cost filings to publish a notice of the filing within fifteen days from the date of the filing and notice of an approved filing in a newspaper of general circulation (Section 9);
- (8) Provides that the plan for recoupment submitted by a member of a guaranty association become effective upon written approval of the Insurance Commissioner, or if the Insurance Commissioner has not disapproved the plan within thirty days (Section 11); and
- (9) Clarifies administrative procedures related to the domestication and redomestication of foreign and alien captive insurance companies (Sections 12 and 13);
- (10) Provides that all members of the Board of Directors of the Hawaii Property Insurance Association be voting members (Section 14); and
- (11) Increases the ceiling on assessments charged on member insurers of the Hawaii Property Insurance Association from two percent to five percent (Section 15).

Supportive testimony was submitted by the Insurance Division of the Department of Commerce and Consumer Affairs. Comments were also submitted by State Farm Insurance Companies.

The Insurance Commissioner testified that the cost containment provisions of Acts 123 and 124, Session Laws of Hawaii 1992, have significantly increased the workload of the Insurance Division.

By way of background, the foregoing cost containment provisions include the adoption of the workers' compensation medical fee schedule and treatment guidelines, and the establishment of a peer review process for the administration of the No-Fault Law.

Your Committees believe that providing the Insurance Commissioner the authority to hire civil service exempt positions would enhance the implementation of the 1992 No-Fault reforms, and ultimately benefit motor vehicle insurance consumers throughout the State.

In addition, your Committees find that the stylistic amendment proposed in Section 10 of the bill, as received, (bracketing the word "and") is not necessary.

Upon careful consideration, your Committees have amended this bill as follows:

- (1) Deleting Sections 5, 6, 10, 11, and 15 of the bill as received; and
- (2) Made technical, nonsubstantive revisions for the purposes of clarity, style and conformity.

As affirmed by the records of votes of the members of your Committees on Consumer Protection and Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 3428, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 3428, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Cachola, Hirono, Menor, Oshiro, Peters and Thielen.

**SCRep. 456-94 Consumer Protection and Commerce on H.B. No. 3101**

The purpose of this bill is to expand the coverage of the Hawaii Hurricane Relief Fund to include condominium associations of apartment owners, cooperative housing corporations and residential apartments. The bill will increase coverage for these types of real property ownership from \$500,000 per risk to \$250,000 per risk per unit to a maximum aggregate coverage of \$5,000,000 per risk.

Testimony from the Hawaii Hurricane Relief Fund Board, Community Associations Institute, Hawaii Chapter and the Hawaii Council of Association of Apartment Owners was received in support of this measure.

Testimony from the Hawaii Insurers Council was received in opposition to this measure.

It was noted by your Committee that the Hawaii Hurricane Relief Fund would take on approximately \$5 to \$6 billion dollars of additional exposure with the proposed additional coverage of condominium associations of apartment owners, cooperative housing corporations and residential apartments with the maximum aggregate coverage of \$5,000,000 per risk. Your Committee also believes that residential apartments should have the same coverages as condominium associations of apartment owners and cooperative housing corporations.

Accordingly, your Committee has amended this bill by lowering the maximum aggregate coverage from \$5,000,000 per risk to \$1,500,000 per risk and to include residential apartments in the coverage with condominium associations of apartment owners and cooperative housing corporations.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3101, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3101, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Bainum, Hiraki, Hirono, Oshiro, Peters and Takamine.

**SCRep. 457-94 Consumer Protection and Commerce on H.B. No. 2945**

The purpose of this bill is to authorize the State Department of Budget and Finance to issue up to \$170 million in special purpose revenue bonds on behalf of Hawaiian Electric Company, Inc., Hawaii Electric Light Company, Inc. and Maui Electric Company, Ltd. to finance multi-project capital improvement construction programs for the local furnishing of electric energy.

Testimony from Hawaiian Electric Light Company, Inc., Hawaii Electric Light Company, Inc. and Maui Electric Company, Ltd. was received in support of and to justify the issuance of these special purpose revenue bonds.

There was no testimony in opposition to this bill.

Your Committee has amended this bill by making requested housekeeping corrections by the companies and also technical, nonsubstantive revisions for the purpose of clarity, conformity and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2945, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2945, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hiraki, Hirono, Oshiro, Peters and Takamine.

**SCRep. 458-94 Consumer Protection and Commerce on H.B. No. 3451**

The purpose of this bill is to establish a Special Fund for use by the Public Utilities Commission (PUC) and the Division of Consumer Advocacy (CA) of the Department of Commerce and Consumer Affairs in the administration of regulatory laws pertaining to public utilities, motor carriers, and water carriers.

More specifically, this bill would:

- (1) Establish the Public Utilities Commission Special Fund (Fund) to be administered by the PUC, and clarify that on a quarterly basis, up to twenty-five percent of the Fund's proceeds be allocated to the CA;
- (2) Clarify that expenditures from the Fund be in accordance with appropriations authorized by the Legislature, and provide that Fund moneys in excess of \$1,000,000 lapse to the general fund on June 30 of each odd-numbered year;
- (3) Increase the public utility fee and the motor carrier fee from one-eighth to one-fourth of one percent of gross income per year, and provide that the fees be deposited into the Fund;
- (4) Require that all moneys appropriated to, received, and collected by the PUC not pledged, obligated, or required by law to be placed into any other special fund, be deposited into the Fund, including, inter alia, fees charged for the copying of public documents, fines resulting from violations of Chapters 269 (public utilities), 271 (motor carriers), and 271G (water carriers), and court costs paid to the Clerk of the Circuit Court; and
- (5) Authorize each public utility to impose a surcharge to recover amounts paid resulting from the increase in the public utility fee until the conclusion of the public utilities' next rate case, and require the public utility to refund all surcharge moneys plus earned interest collected in addition to moneys paid to the PUC.

Supportive testimony was submitted by the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs, the Public Utilities Commission, and Hawaiian Electric Company, Inc. Testimony in opposition to this bill was submitted by Oahu Express Ltd., the Hawaii Transportation Association, and American Pacific Transport Co., Ltd. Comments were also submitted by the American Association of Retired Persons, and GTE Hawaiian Telephone Company.

The PUC stated that the proposed Special Fund would provide the PUC and the Consumer Advocate with funding to tackle the backlog in cases, cut regulatory delays, hire expert consultants, and handle the many challenges of the changing environment in public utilities.

The Consumer Advocate also testified that without an increase in funding, it would not be able to participate in as many cases or with in-depth analysis, and not be able to adequately represent the interests of utility and transportation consumers in Hawaii.

Your Committee has amended this bill by making technical, nonsubstantive revisions for purposes of clarity, style, and conformity.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3451, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 3451, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Bainum, Hiraki, Hirono, Oshiro, Peters and Takamine.

**SCRep. 459-94 Consumer Protection and Commerce on H.B. No. 3095**

The purpose of this bill is to appropriate \$20,000 for fiscal year 1994-1995 to be expended by the Public Utilities Commission (PUC) for the hiring of consultants to provide the technical assistance necessary for the completion of its investigation of the communications infrastructure in Hawaii.

Supportive testimony was submitted by the Public Utilities Commission (PUC) and GTE Hawaiian Tel.

On May 11, 1993, the PUC opened Docket No. 7702, entitled, "In the Matter of Public Utilities Commission Instituting a Proceeding on Communications, Including an Investigation of the Communications Infrastructure of the State of Hawaii" in response to the need to support and attract communications technologies and services providers to the State, and to ensure that detrimental consequences to providers and consumers are mitigated and avoided.

Your Committee believes that this docket will facilitate the development of a sound communications infrastructure in the State, furnish a healthy regulatory climate that supports competition in the communications market, as well as ensure the provision of high-quality and reliable communications services to consumers.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 3095, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Amaral, Hiraki, Menor, Oshiro and Peters.

**SCRep. 460-94 Consumer Protection and Commerce on H.B. No. 2822**

The purpose of this bill is to clarify tax law pertaining to insurers authorized to conduct business in Hawaii.

More specifically, this bill:

- (1) Requires real property title insurers to pay a tax of 4.265 percent of risk premium received for policies issued on real property situated in Hawaii; and
- (2) Clarifies that the risk premium is the amount actually received by the insurer solely for the provision of coverage under the underwriting agreement or contract between the insurer and the underwritten title company.

Supportive testimony was submitted by the law firm of McCorrison Miho Miller Mukai. The Insurance Commissioner, and the Tax Foundation of Hawaii also submitted comments.

The representative of the law firm of McCorrison Miho Miller Mukai testified that under existing law, only the risk premium actually received by real property title insurers is subject to the insurance premium tax. As a result, real property title insurers have been reporting on that basis since the Insurance Code was enacted in 1955.

However, it appears that the Insurance Division of the Department of Commerce and Consumer Affairs has recently taken the position that the insurance premium tax should be applied on the entire amount of money collected for title insurance, which includes charges for title search, examinations, abstracting and title opinions performed by local title companies or agents of underwriters.

In light of this, your Committee believes that this bill clarifies the law so that the past practice is not subject to dispute, and provide equitable treatment for the imposition of the insurance premium tax on real property title insurers.

Your Committee has amended this bill by making technical, nonsubstantive revisions for the purposes of clarity, style and conformity.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2822, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2822, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Amaral, Hiraki, Menor, Oshiro and Peters.

**SCRep. 461-94 Intergovernmental Relations and International Affairs on H.B. No. 3739**